



# IVANHOE MINES

Dated October 29, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED  
SEPTEMBER 30, 2024

## INTRODUCTION

This management's discussion and analysis (MD&A) should be read in conjunction with the unaudited condensed consolidated interim financial statements of Ivanhoe Mines Ltd. ("Ivanhoe", "Ivanhoe Mines" or the "Company"), for the three and nine months ended September 30, 2024, which has been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting (IAS 34) and the audited consolidated financial statements of Ivanhoe for the years ended December 31, 2023, and 2022, which have been prepared in accordance with IFRS® Accounting Standards. All dollar figures stated herein are in U.S. dollars unless otherwise specified. References to "C\$" mean Canadian dollars and references to "R" mean South African Rands.

The effective date of this MD&A is October 29, 2024. Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Certain statements contained in the MD&A are forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements" and "Risk Factors".

This MD&A includes references to earnings before interest, tax, depreciation and amortization (EBITDA), Adjusted EBITDA, EBITDA margin, normalized profit, and "Cash costs (C1) per pound" which are non-GAAP financial performance measures. For a detailed description of each of the non-GAAP financial performance measures used in this MD&A, and a detailed reconciliation to the most directly comparable measure under IFRS Accounting Standards, please refer to the non-GAAP Financial Performance Measures section of this MD&A starting on page 40. The non-GAAP financial performance measures set out in this MD&A are intended to provide additional information to investors and do not have any standardized meaning under IFRS Accounting Standards, and therefore may not be comparable to other issuers, and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards.

## THIRD QUARTER HIGHLIGHTS

- 116,313 tonnes of copper in concentrate was produced at the Kamoakakula Copper Complex ("Kamoakakula") for Q3 2024, compared with 100,812 tonnes in Q2 2024 and 103,947 tonnes in Q3 2023.
- Kamoakakula sold 103,106 tonnes of payable copper during Q3 2024, recognizing revenue of \$828 million, an operating profit of \$392 million and quarterly EBITDA of \$470 million. Concentrate produced from Phase 3 is being toll-treated into blister copper at the Lualaba Copper Smelter (LCS) to maximize profitability until the on-site smelter is completed. As such, total inventory, including the on-site warehouse and at LCS, increased to approximately 16,000 tonnes of copper in concentrate at the end of the quarter.
- Kamoakakula's cost of sales per pound (lb.) of payable copper sold was \$1.80/lb. for Q3 2024 compared with \$1.53/lb. and \$1.34/lb. in Q2 2024 and Q3 2023, respectively. Cash cost (C1) per pound of payable copper produced in Q3 2024 totaled \$1.69/lb., compared with \$1.52/lb. and \$1.46/lb. achieved in Q2 2024 and Q3 2023, respectively. Cash cost (C1) per pound of payable copper produced for the nine months ended September 30, 2024 was \$1.60/lb, in line with the mid-point of guidance.
- Ivanhoe Mines' Adjusted EBITDA was \$160 million for Q3 2024, compared with \$152 million for the same period in 2023 which includes an attributable share of EBITDA from Kamoakakula.
- Ivanhoe Mines recorded a profit of \$108 million for Q3 2024 compared with a profit of \$108 million for Q3 2023. Ivanhoe Mines' normalized profit for Q3 2024 was \$112 million, compared with a normalized profit of \$95 million for Q3 2023.
- Ivanhoe Mines has a strong balance sheet with cash and cash equivalents of \$180 million on hand as at September 30, 2024, and expects that at current copper prices, cash flow generated from Kamoakakula's operations, as well as project-level financing facilities, will be sufficient to fund the remaining capital cost requirements for the Phase 3 expansion.

## REVIEW OF OPERATIONS

Ivanhoe Mines is a mining, exploration and development company. At present, the Company's financial performance is primarily affected by ongoing mining and development operations at its Kamoa-Kakula Copper Complex and Kipushi zinc mine, as well as ongoing exploration and development activities at its Platreef and the highly prospective Western Foreland Exploration Project. The Company's material properties consist of:

- **The Kamoa-Kakula Copper Complex.** A joint venture between Ivanhoe Mines and Zijin Mining Group Co., Ltd., ("Zijin" or "Zijin Mining") within the Central African Copperbelt in the Democratic Republic of Congo's (DRC) southern Lualaba province. Ivanhoe Mines and Zijin Mining each hold an indirect 39.6% interest in the Kamoa-Kakula Copper Complex, Crystal River Global Limited (Crystal River) holds an indirect 0.8% interest and the DRC government holds a direct 20% interest. The Kamoa-Kakula Copper Complex began producing copper in May 2021 and, through phased expansions that were each delivered ahead of schedule, it is now positioned as one of the world's largest and lowest carbon-intensive copper producers. (See "*Kamoa-Kakula Copper Complex*")
- **The Kipushi Mine.** The ultra-high-grade Kipushi zinc mine is also located on the Central African Copperbelt, in the DRC's southern Haut-Katanga province. Ivanhoe Mines holds a 68% interest in Kipushi, with La Générale des Carrières et des Mines (Gécamines), the state-owned mining company, holding the remaining 32% interest. The historic mine originally operated between 1924 and 1993, when it was placed on care and maintenance. The restart of operations commenced ahead of schedule in May 2024, following the construction of a new concentrator. Following the ongoing ramp-up to full production, the Kipushi mine is expected to be one of the world's largest and lowest carbon-intensive zinc producers. (See "*Kipushi Mine*")
- **The Platreef Project.** Construction of the planned Platreef Mine on the Company's discovery of palladium, platinum, nickel, rhodium, copper and gold, on the Northern Limb of South Africa's Bushveld Igneous Complex is in progress. Ivanhoe Mines holds a 64% interest in Platreef, the South African beneficiaries of a broad-based, black economic empowerment structure have a combined 26% stake in the Platreef Project and the remaining 10% is owned by a Japanese consortium of ITOCHU Corporation, Japan Oil, Gas and Metals National Corporation; and Japan Gas Corporation. (See "*Platreef Project*")
- **The Western Forelands Exploration Project.** A group of licences totalling approximately 2,000 km<sup>2</sup> and located in close proximity to the Kamoa-Kakula Copper Complex, the majority of which are 60%-100%-owned. Four of the licences are under an earn-in right to increase the Company's ownership by funding ongoing exploration activities. Ivanhoe's DRC exploration group is targeting Kamoa-Kakula-style copper mineralization through a regional exploration and drilling program. (See "*Western Foreland Exploration Project*")

## KAMOA-KAKULA COPPER COMPLEX

The Kamoa-Kakula Copper Complex is operated as the Kamoa Holding joint venture between Ivanhoe Mines and Zijin Mining. The project is approximately 25 kilometres southwest of the town of Kolwezi and about 270 kilometres west of Lubumbashi. Kamoa-Kakula's Phase 1 concentrator began producing copper in May 2021. The Phase 2 concentrator, completed in April 2022, doubled nameplate production capacity to 400,000 tonnes of copper per annum. A debottlenecking program, completed 10 months later in February 2023, further increased copper production capacity to 450,000 tonnes per annum. The Phase 3 concentrator completed in June 2024 expands annual production capacity up to approximately 600,000 tonnes of copper, ranking the Kamoa-Kakula Copper Complex as the world's third-largest copper mining operation by international mining consultant Wood Mackenzie.

Ivanhoe sold a 49.5% share interest in Kamoa Holding Limited (Kamoa Holding) to Zijin Mining and a 1% share interest in Kamoa Holding to privately owned Crystal River in December 2015. Kamoa Holding holds an 80% interest in the project and the DRC government holds the remaining 20% interest. Ivanhoe and Zijin Mining therefore each hold an indirect 39.6% interest in Kamoa-Kakula, with Crystal River holding an indirect 0.8% interest. Kamoa-Kakula's full-time employee workforce is approximately 5,500 and is over 90% Congolese.

### *Kamoa-Kakula summary of operating and financial data*

	<b>Q3 2024</b>	<b>Q2 2024</b>	<b>Q1 2024</b>	<b>Q4 2023</b>	<b>Q3 2023</b>
<b>Ore tonnes milled (000's tonnes)</b>	<b>3,266<sup>(1)</sup></b>	2,381 <sup>(1)</sup>	2,061	2,133	2,236
<b>Copper ore grade processed (%)</b>	<b>4.14%<sup>(1)</sup></b>	4.91% <sup>(1)</sup>	4.80%	4.95%	5.37%
<b>Copper recovery (%)</b>	<b>85.3%<sup>(1)</sup></b>	86.7% <sup>(1)</sup>	87.4%	87.9%	87.2%
<b>Copper in concentrate produced (tonnes)</b>	<b>116,313</b>	100,812	86,203	92,215	103,947
<b>Payable copper sold (tonnes)<sup>(2)</sup></b>	<b>103,106</b>	95,900	85,155	90,967	96,509
<b>Cost of sales per pound (\$ per lb.)</b>	<b>1.80</b>	1.53	1.50	1.50	1.34
<b>Cash cost (C1) (\$ per lb.)</b>	<b>1.69</b>	1.52	1.57	1.53	1.46
<b>Realized copper price (\$ per lb.)</b>	<b>4.16</b>	4.34	3.82	3.71	3.84
<b>Sales revenue before remeasurement (\$'000)</b>	<b>836,871</b>	813,817	612,496	625,983	681,821
<b>Remeasurement of contract receivables (\$'000)</b>	<b>(8,983)</b>	3,256	5,824	(8,365)	13,014
<b>Sales revenue after remeasurement (\$'000)</b>	<b>827,888</b>	817,073	618,320	617,618	694,835
<b>EBITDA (\$'000)</b>	<b>469,735</b>	547,257	364,893	343,899	423,211
<b>EBITDA margin (% of sales revenue)</b>	<b>57%</b>	67%	59%	56%	61%

All figures in the above tables are on a 100%-project basis. Metal reported in concentrate is before refining losses or deductions associated with smelter terms. This MD&A includes "EBITDA", "Adjusted EBITDA", "EBITDA margin", and "Cash cost (C1)" which are non-GAAP financial performance measures. For a detailed description of each of the non-GAAP financial performance measures used herein and a detailed reconciliation to the most directly comparable measure under IFRS Accounting Standards, please refer to the non-GAAP Financial Performance Measures section of this MD&A starting on page 40.

<sup>(1)</sup> Blended figures across the Phase 1, 2, and 3 concentrators, following the commencement of the Phase 3 concentrator in June 2024. Excluding Phase 3, the Phase 1 and 2 concentrators milled 2.21 million tonnes of ore at an average feed grade of 4.9% with an average recovery of 86.6% in Q3 2024.

<sup>(2)</sup> Payable copper sold is net of the payability factor of circa 97%. Copper in concentrate produced net of the payability factor is noted in the non-GAAP Financial Performance Measures section of this MD&A starting on page 40.

**C1 cash cost per pound of payable copper produced can be further broken down as follows:**

		Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Mining	(\$ per lb.)	0.62	0.45	0.44	0.38	0.41
Processing	(\$ per lb.)	0.26	0.21	0.23	0.24	0.20
Logistics charges	(\$ per lb.)	0.42	0.48	0.50	0.50	0.46
TC, RC, smelter charges	(\$ per lb.)	0.26	0.25	0.25	0.26	0.25
General & Administrative	(\$ per lb.)	0.13	0.13	0.15	0.15	0.14
<b>Cash cost (C1) per pound of payable copper produced</b>	<b>(\$ per lb.)</b>	<b>1.69</b>	<b>1.52</b>	<b>1.57</b>	<b>1.53</b>	<b>1.46</b>

Cash cost (C1) is prepared on a basis consistent with the industry standard definitions by Wood Mackenzie cost guidelines but are not measures recognized under IFRS Accounting Standards. In calculating the C1 cash cost, the costs are measured on the same basis as the Company's share of profit from the Kamoā Holding joint venture that is contained in the financial statements. C1 cash cost is used by management to evaluate operating performance and include all direct mining, processing, and general and administrative costs. Smelter charges and freight deductions on sales to the final port of destination, which are recognized as a component of sales revenues, are added to C1 cash cost to arrive at an approximate cost of delivered, finished metal. C1 cash cost excludes royalties, production taxes and non-routine charges as they are not direct production costs.

All figures are on a 100% project basis and metal reported in concentrate is before refining losses or deductions associated with smelter terms.

***Kamoā-Kakula's Phase 1, 2 and 3 concentrators produced a record 116,313 tonnes of copper in concentrate in Q3 2024***

Kamoā-Kakula produced 116,313 tonnes of copper in concentrate in the third quarter of 2024, including 94,214 tonnes of copper from the Phase 1 and 2 concentrators and 22,099 tonnes of copper from the Phase 3 concentrator. Over the first nine months of 2024, Kamoā-Kakula produced a total of 303,328 tonnes of copper in concentrate.

Kamoā-Kakula's Phase 1 and 2 concentrators milled approximately 2.2 million tonnes of ore during the third quarter at an average feed grade of 4.9% copper. Copper flotation recoveries for the quarter averaged 86.6%. Kamoā-Kakula's Phase 3 concentrator, which produced first concentrate on June 10, 2024, continued its ramp-up to steady state production during the third quarter. During the quarter the Phase 3 concentrator milled approximately 1.1 million tonnes of ore at an average feed grade of 2.6% copper with an average flotation recovery rate of 79.9%.

Following the commissioning of the Phase 3 concentrator's fine-grinding mills in September sustained improvements in processing throughput and recovery rates were achieved. During the third week of October, the concentrator milled a record 19,198 tonnes over a 24-hour period, which is equivalent to an annualized processing rate of over 6.5 million tonnes per annum, after accounting for availability. This achievement is 30% higher than the nameplate capacity of the Phase 3 concentrator. In addition, in late September, over 24 hours the copper recovery rate of the concentrator averaged 87%, exceeding the nameplate recovery rate of 86%. Kamoā's engineering team expects to consistently achieve, on an ongoing basis, the nameplate recovery rate of 86%.

Annual production guidance for Kamoā-Kakula has been revised to between 425,000 and 450,000 tonnes of copper in concentrate for 2024, compared with the original 2024 guidance of between 440,000 and 490,000 tonnes. 2024 cash cost (C1) guidance for Kamoā-Kakula remains unchanged.

The revised guidance reflects production loss due to intermittent grid power, in particular prior to the installation of additional on-site generator capacity, as well as imported power that now supports Kamoakakula's operations. Approximately 36,000 tonnes of copper production are estimated to have been lost due to intermittent power over the first nine months of 2024, including 20,500 tonnes in the first quarter. Guidance also considers the ramp-up rate of the newly constructed Phase 3 concentrator, which reached steady-state production after quarter-end.

Kamoacopper continues to work closely with the DRC's state-owned power company, La Société Nationale d'Electricité (SNEL), to deliver solutions for the identified causes of instability experienced across the southern DRC's grid infrastructure since late 2022. The project work, which is budgeted up to \$200 million and funded by Kamoacopper Holding, commenced in late Q1 2024 and is expected to be completed by the end of 2025. The funding is assigned to increasing transmission capacity and improving the reliability of the grid.

The project consists of grid infrastructure upgrades, such as an increase in grid capacity between the Inga II dam and Kolwezi, a new harmonic filter at the Inga Converter Station, as well as a new static compensator at the Kolwezi Converter Substation. In addition, various smaller initiatives have been identified to strengthen the transmission capability and improve the long-term stability of the southern grid. This includes the restringing of powerlines in the southern grid, and repairs to the direct current (DC) infrastructure. In addition to this, Ivanhoe Mines Energy DRC is working with SNEL to put in place maintenance contracts to maintain key generation capacity and transmission infrastructure.

**Photo: Engineers and Project Managers from Ray Group of Kinshasa, DRC; and Gruner Stucky AG of Basel, Switzerland; with Lucien Shimuna, Project Manager of Ivanhoe Mines Energy DRC, discussing plans at the Kolwezi Converter Substation site where a new static compensator (STATCOM) is under construction.**



**Photo: The STATCOM (foreground) is under construction at the Kolwezi Substation and is one of the initiatives underway designed to improve the stability of grid supplied power to Kamoakakula.**



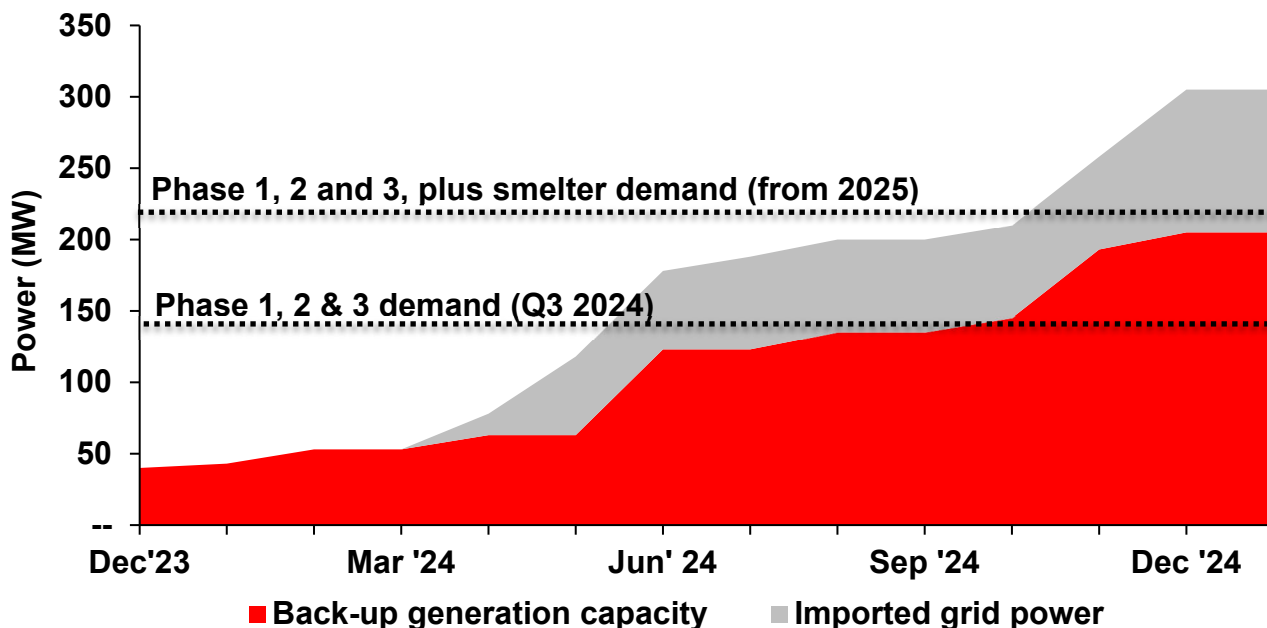
***Imported power during the quarter increased to 65 megawatts (MW), negotiations are underway to increase imported power to over 100 MW; 205 MW onsite back up power targeted by year-end***

In the third quarter, grid-supplied power to Kamoakakula continued to be supplemented with imported power via the Zambian interconnector. In July, secured imported power increased to 65 MW, with 10 MW sourced from generation capacity in Zambia and 55 MW sourced from Mozambique via the Southern Africa Power Pool network. Negotiations are well advanced to increase imported power to over 100 MW by year end, increasing to 200 MW in the medium to long term.

Kamoakakula's engineering team continues to expand its on-site backup generation capacity to ensure sufficient redundancy for the current Phase 1, 2 and 3 operations.

The total installed on-site, backup power generation capacity is currently 145 MW, following the delivery and commissioning of an additional 72 MW of generators during the quarter and a further 10 MW in October. The on-site backup power capacity is sufficient to power Kamoakakula's Phase 1 and 2 concentrators at full capacity in the event of intermittent power. Kamoakakula's project team remains on schedule to install a further 60 MW of on-site backup power generation capacity by year-end.

**Figure 1. Kamo-a-Kakula’s power demand profile versus the projected phased rollout of on-site, back-up generation capacity and imported grid power, supplementing existing domestically-sourced power from SNEL (MW).**



***Refurbishment of Turbine #5 at Inga II approximately 75% complete***

Refurbishment works of Turbine #5 at the Inga II hydroelectric facility are approximately 75% complete and advancing within budget to generate 178 MW of hydroelectric power for the DRC electrical grid from Q1 2025. Following the late delivery of the turbine runner and shaft in the first quarter of 2024, wet commissioning and synchronization with the grid have been delayed and are scheduled for mid-Q1 2025. All critical-path equipment, including alternator and transformers, have been delivered to site, and assembly works are well advanced, with the alignment of the alternator’s stator and rotor nearing completion.

***Ramp up of the Phase 3 concentrator to steady-state completed early in fourth quarter; commissioning of underground infrastructure in the Kamo-a 1 mine to improve mining costs***

First ore to Kamo-a-Kakula’s Phase 3 concentrator was achieved on May 26, 2024, up to two quarters ahead of the originally announced schedule, with first concentrate reported on June 10, 2024. The new 5-million-tonne-per-annum (Mtpa) Phase 3 concentrator is located adjacent to the Kamo-a 1 and 2 underground mines, approximately 10 kilometres north of the Phase 1 and 2 concentrators located above the Kakula underground mine. Ramp-up to steady state production of the Phase 3 concentrator was completed early in the fourth quarter.

The Phase 3 concentrator is 30% larger in capacity, compared with the Phase 1 and 2 concentrators. The process design is very similar, therefore the bulk of the equipment is the same as or similar to that installed in the Phase 1 and 2 concentrators, resulting in a commonality of spare parts, while also leveraging prior operational and maintenance experience.

Construction of underground infrastructure at the Kamo-a 1, Kamo-a 2 and the Kansoko mines continued during the quarter and into the fourth quarter. Construction of the Kamo-a 1 underground-to-surface ore conveyor system, similar in design to Kakula, and first truck tip are nearing completion and are expected to be commissioned imminently. Until this ore handling system is operational, ore from underground will continue to be hauled to surface by truck. Mining costs are expected to improve once the truck tip and conveyor are commissioned as notable efficiencies will be gained from this new infrastructure. A second truck-tip is under construction and is expected to be commissioned at the end of Q2 2025.



**Photo: Looking down the decline of the Kamoia 1 box cut, showing the underground-to-surface ore conveyor system that feeds the Phase 3 concentrator (top right of picture). Approximately 40% of the ore processed by the Phase 3 concentrator during the third quarter was from surface stockpiles.**



Concurrently, underground development at Kamoia 1 and 2 continues to focus on opening-up access to ore reserves well in advance of the mine plan. Kamoia-Kakula’s mining engineering team are targeting to have completed enough underground development for 18 months of accessible mining reserves by the end of 2025. This provides the mine with flexibility to achieve a consistent head grade from the higher- and lower-grade mining areas. A similar strategy has also been employed at the Kakula underground mine.

During the third quarter 40% of the Phase 3 concentrator’s feed was from surface stockpiles. The Phase 3 concentrator will continue to process surface stockpiles during the fourth quarter, increasingly supplemented with development ore from the Kamoia 1 and 2 underground mines as the underground-to-surface ore conveyor system is commissioned. Therefore, the team is targeting an increase in the feed grade to the Phase 3 concentrator to between 2.8% and 3% copper during Q1 2025.

As of September 30, 2024, a total of 4.57 million tonnes of ore at an average grade of 3.11% copper is stored in multiple surface run-of-mine (ROM) stockpiles across the Kamoia-Kakula Copper Complex. This includes 2.24 million tonnes of ore at an average grade of 3.62% at Kakula and 2.32 million tonnes of ore at an average feed grade of 2.61% at Kamoia and Kansoko.

Sale of copper concentrates produced by the Phase 3 concentrator commenced early in the third quarter. Concentrate produced from Phase 3 is being toll-treated into blister copper at the Lualaba Copper Smelter (LCS) to maximize profitability until the on-site smelter is completed. As such, total inventory, including in the on-site warehouse and at LCS, increased to approximately 16,000 tonnes of copper in concentrate at the end of the quarter. LCS is located approximately 50 kilometres from Kamoia-Kakula, near the town of Kolwezi.

It is expected that from early in Q1 2025, 20,000 to 30,000 tonnes of copper in concentrate produced by the Phase 3 concentrator will start to be stockpiled on-site in anticipation of the heat-up and ramp-up of the on-site smelter from Q1 2025. Once fully ramped-up the smelter is expected to maintain approximately 17,000 tonnes of copper within the circuit.

***Direct-to-blister copper smelter project is 94% complete and on schedule for construction completion by the end of 2024***

Kamoa-Kakula is building Africa's largest smelter, which will have a capacity of 500,000 tonnes of >99%-pure blister-anode copper per annum. The direct-to-blister flash smelter is under construction adjacent to the existing Phase 1 and Phase 2 concentrator plants. The smelter incorporates leading-edge technology supplied by Metso Finland and will comply with the world-leading International Finance Corporation's (IFC) emissions standards.

The smelter project is 94% complete and is on schedule for construction completion by the end of 2024. Equipment delivery is nearing completion, with the only major outstanding delivery being the slag ladles. Installation of mechanical equipment and piping is nearing completion. The refractory installation for the electric slag cleaning furnace is complete and the refractory installation for the direct-to-blister furnace has begun. Electrical installation is well advanced in all areas and some early commissioning activities for power and water reticulation commenced during the third quarter. Furnace heat-up is expected to commence in Q1 2025, with Kamoa-Kakula's smelter team targeting a ramp up to 75% capacity in Q3 2025, reaching 90% in the fourth quarter of 2025 subject to concentrate blend.

Recruitment of the 970-personnel operating team is nearing completion with management and technical training well underway. 250 of the newly recruited workforce have been temporarily deployed to similar copper smelters in China and Zambia to gain operational experience ahead of commencing smelter commissioning activities at Kamoa-Kakula in the coming months.

The smelter will have a processing capacity of approximately 1.2 Mtpa of dry concentrate feed and is designed to run on a blend of concentrate produced from the Kakula (Phase 1 and 2) and Kamoa (Phase 3 and future Phase 4) concentrators. Where possible, Kamoa-Kakula will continue to toll-treat concentrates domestically with surplus concentrates smelted at LCS.

As a by-product, the smelter will also produce 600,000 to 700,000 tonnes per year of high-strength sulphuric acid, depending on the sulphur content of the feed concentrate. There is a strong demand for sulphuric acid in the DRC, as it is used to leach copper from oxide ores through the SX-EW (solvent extraction and electrowinning) process. Offtake contracts for the high-strength sulphuric acid produced by the smelter are well-advanced with purchasers local to the Kolwezi area.

The on-site smelter will offer transformative financial benefits for the Kamoa-Kakula Copper Complex, most significantly a material reduction in logistics costs, and to a lesser extent reduced concentrate treatment charges and local taxes, as well as revenue from acid sales. Logistics costs accounted for approximately 30% of Kamoa-Kakula's total cash cost (C1) during 2024 to date, and the volume of required trucks is expected to approximately halve following the smelter start-up as each truck will transport 99+%-pure blister copper anodes instead of wet concentrate with 40-50% contained copper.

**Photo: Kamoakakula's on-site copper smelter is on schedule for construction completion by year end.**

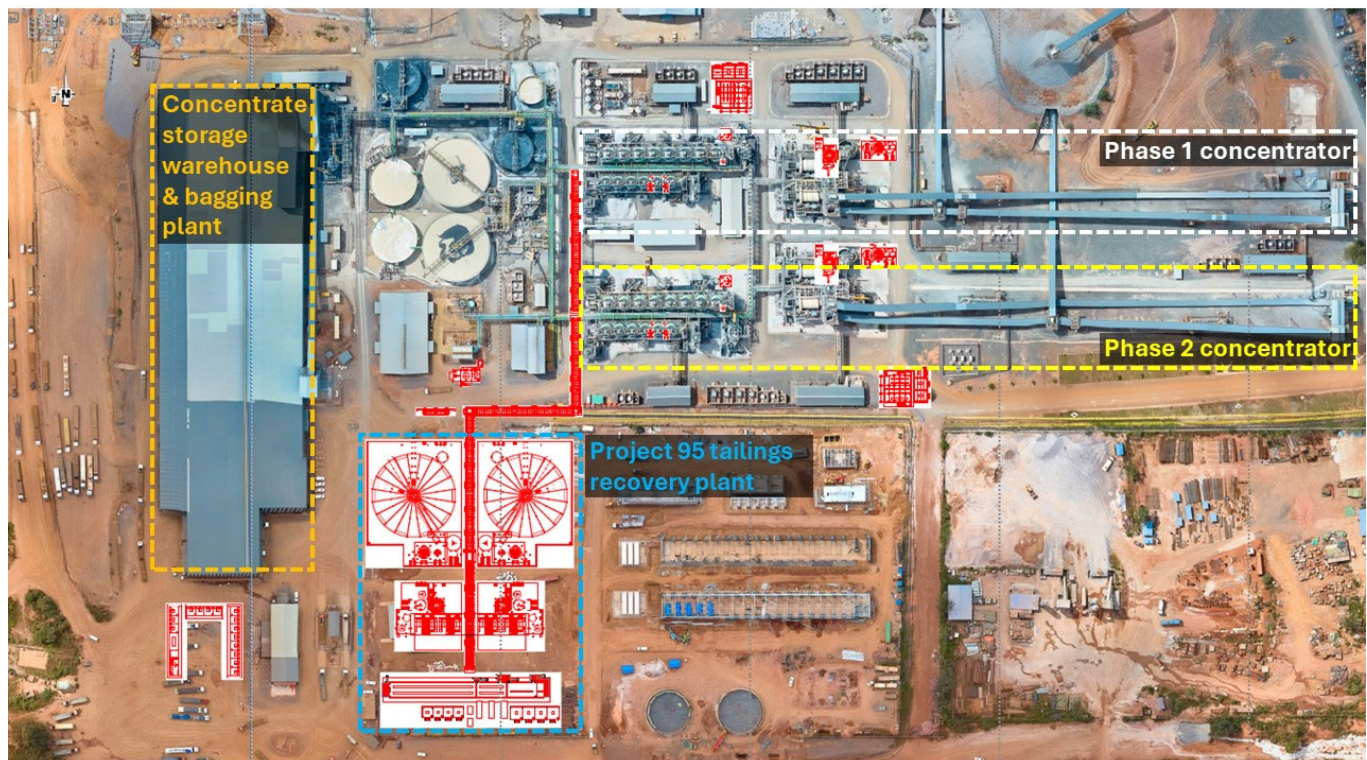


***Project 95 to unlock up to 30,000 tonnes per annum of additional copper growth from Phase 1 and 2 concentrators from 2026***

Project 95 aims to improve copper recovery rates of the Phase 1 and 2 concentrators from 87% to 95%, unlocking up to 30,000 tonnes per annum of additional copper production. The Project 95 scope of work consists of modifications to the Phase 1 and 2 concentrators as shown below, as well as the construction of a new cell at the tailings storage facility.

The modifications to the existing Phase 1 and 2 concentrators consist of a new coarse-fine cyclone bank, flash flotation cells, coarse rougher tailings tank, additional feed tanks to the rougher scavenger and cleaner scavenger flotation cells, and new cleaner flotation cells. In addition, a new fine-regrind milling plant adjacent to the Phase 1 and Phase 2 concentrator plants will be constructed, with high-intensity grinding (HIG) mills, rougher tailings cyclones, and slime thickeners.

**Photo: Infrastructure site plan of Phase 1 and 2 concentrators, showing new Project 95 equipment to be installed in red.**



Following the completion of Project 95, the copper grade of the tailings stream from the Phase 1 and 2 concentrators will be significantly reduced from approximately 0.7% to 0.2% copper. To avoid sterilizing the higher-grade tailings currently in Cell 1, tailings from Project 95 will be placed into a separate cell within the tailings storage facility, Cell 2. The construction of Cell 2, originally intended to take place during the future Phase 4 expansion, will be brought forward to separate the existing high-grade tailings from the new lower-grade tailings produced by Project 95. The construction of Cell 2 is expected to cost approximately \$82 million and be constructed in parallel with the Project 95 concentrator modifications. Geotechnical work has already commenced on Cell 2, which will be a downstream-tailings design and comply with the Global Industry Standard on Tailings Management (GISTM).

***Delivery of Project 95 underway, with completion targeted for Q1 2026***

During the quarter, DRA Global of Johannesburg, South Africa and Zijin Engineering of Fujian Province, China were appointed as engineering, procurement and construction management (EPCM) contractors to execute Project 95. DRA Global was the EPCM contractor that delivered ahead-of-schedule the Phase 1, 2 and 3 concentrators at Kamo-Kakula.

The construction of Project 95 is expected to take approximately 18 months with completion targeted during the first quarter of 2026. Engineering design and procurement of long-lead order equipment items are well underway. Geotechnical engineering has also commenced on Cell 2.

The estimated capital cost for the modifications to the Phase 1 and 2 concentrator plants is approximately \$180 million, including contingency. Therefore, the brownfield expansion project is expected to have a capital intensity of approximately \$6,000 per tonne of copper produced. For context, according to BofA Securities research, dated July 12, 2024, the average capital intensity for greenfield copper projects and brownfield expansions is \$20,000 per tonne of copper and \$17,500 per tonne of copper, respectively.

Project 95's incremental operating costs are estimated to be approximately \$4 per tonne milled.

**2025 Integrated Development Plan to include future growth initiatives such as Project 95, Phase 3 debottlenecking and Phase 4 expansion**

Following the last Integrated Development Plan, released on January 30, 2023, Kamoā's engineering team is working on an updated 2025 Integrated Development Plan (2025 IDP). The 2025 IDP will include initiatives targeting increased processing recoveries and processing throughput from the Phase 1, 2 and 3 concentrators, as well as a new Phase 4 expansion.

Kamoā's engineering team is targeting to increase recovery rates of the Phase 1 and 2 concentrators and the Phase 3 concentrator, from the current nameplate rates of 87% and 86%, up to 95% and 92%, respectively, including Project 95. In addition, the processing capacity of the existing Phase 1, 2 and 3 operations is targeted to be boosted by up to 20%, from 14.2 Mtpa to 17 Mtpa.

The Phase 4 expansion involves doubling the size of the milling and flotation circuit adjacent to Phase 3. Like the Phase 2 expansion with Phase 1, the front-end crushing circuit installed for Phase 3 has already been oversized to accommodate Phase 4.

Phase 4 will be fed by ramping up new mining areas on the Kamoā-Kakula complex, timing of which is under study for the 2025 IDP.

**Photo: Construction workers from contractor DGC Africa, inside the smelter's furnace, which is being lined with magnesia-chrome refractory bricks before it is sealed, ready for commissioning in the coming months.**



## COPPER PRODUCTION AND CASH COST GUIDANCE FOR 2024

### Kamoa-Kakula 2024 Guidance

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<b>Previous guidance</b>	<b>440,000 to 490,000</b>	<b>Contained copper in concentrate (tonnes)</b>
<b>Revised guidance</b>	<b>425,000 to 450,000</b>	<b>Contained copper in concentrate (tonnes)</b>
<b>Unchanged cash cost (C1)</b>	<b>1.50 to 1.70</b>	<b>\$ per pound</b>

Revised full year production guidance reflects production lost due to intermittent grid power, in particular prior to the installation of additional on-site generator capacity and agreements to import power to support power consumption from the DRC grid. Approximately 36,000 tonnes of copper production are estimated to have been lost due to intermittent power over the first nine months of 2024, including 20,500 tonnes in the first quarter. Guidance also considers the commissioning of the Phase 3 concentrator, which now is nearing steady-state as at the end of the quarter.

Guidance figures are on a 100% project basis and metal reported in concentrate is before refining losses or deductions associated with smelter terms. Kamoa-Kakula's 2024 guidance is based on several assumptions and estimates and involves estimates of known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially.

The Kamoa-Kakula joint venture produced a total of 116,313 tonnes of copper in concentrate for the three months ended September 30, 2024, and 303,328 tonnes of copper for the nine months ended September 30, 2024.

Cash cost (C1) per pound of payable copper produced amounted to \$1.69/lb. for the three months ended September 30, 2024 and \$1.60/lb. for the nine months ended September 30, 2024. The increase in cash costs (C1) during the quarter was predominantly due to comparatively lower feed grades into the Phase 3 concentrator since first production in June, as well as the increased use of on-site, backup power.

Cash cost guidance is based on assumptions including feed grades of processed copper ore, the ramp up of the Phase 3 concentrator, reliability of DRC grid power supply, the availability and cost of alternative sources of electricity supply and prevailing logistics rates among other variables.

Cash cost guidance is impacted by the timing of the ramp up to steady-state of Kamoa-Kakula's Phase 3 concentrator. Copper in concentrate produced by the Phase 3 concentrator is expected to have a higher cash cost, compared with that of the Phase 1 and Phase 2 concentrators. This is primarily due to the lower copper grade of the stockpiles feeding the Phase 3 concentrator, compared with the higher-grade ore from the Kakula Mine that feeds the Phase 1 and Phase 2 concentrators.

Cash cost (C1) is a non-GAAP measure used by management to evaluate operating performance and includes all direct mining, processing, stockpile rehandling charges, and general and administrative costs. Smelter charges and freight deductions on sales to the final port of destination (typically China), which are recognized as a component of sales revenues, are added to cash cost (C1) to arrive at an approximate cost of delivered finished metal.

For historical comparatives, see the non-GAAP Financial Performance Measures section of this MD&A.

## KIPUSHI MINE

The historic Kipushi zinc-copper-germanium-silver mine in the DRC is adjacent to the town of Kipushi, approximately 30 kilometres southwest of Lubumbashi on the Central African Copperbelt. Kipushi is approximately 250 kilometres southeast of the Kamao-Kakula Copper Complex and less than one kilometre from the Zambian border. Ivanhoe acquired its 68% interest in the Kipushi Mine in November 2011, through Kipushi Holding which is 100%-owned by Ivanhoe Mines. The balance of 32% in the Kipushi Mine is held by the DRC state-owned mining company, Gécamines. As per the updated joint venture agreement signed in late 2023, Gécamines' ownership is set to increase to 38% upon completion of outstanding conditions precedent.

For over 69 years up until 1993 when the mine was placed on care and maintenance, the Kipushi Mine produced a total of 6.6 million tonnes of zinc and 4.0 million tonnes of copper from 60 million tonnes of ore grading 11% zinc and approximately 7% copper. It also produced 278 tonnes of germanium and 12,673 tonnes of lead between 1956 and 1978. There is no formal record of the production of precious metals as the concentrate was shipped to Belgium and the recovery of precious metals remained undisclosed during the colonial era; however, drilling by Ivanhoe Mines has encountered significant silver values within Kipushi's current zinc- and copper-rich deposits.

Since acquiring its interest in Kipushi in 2011, Ivanhoe's drilling campaigns have upgraded and expanded the mine's zinc-rich Big Zinc and Southern Zinc orebodies to a Measured and Indicated Mineral Resource of 11.78 million tonnes grading 35.34% zinc, 0.80% copper, 23 grams/tonne (g/t) silver and 64 g/t germanium, at a 7% zinc cut-off, containing 9.2 billion pounds of zinc, 8.7 million ounces of silver and 24.4 million ounces of germanium. Kipushi's exceptional zinc grade is more than twice that of the world's next highest-grade zinc project, according to Wood Mackenzie, a leading, international industry research and consulting group.

Kipushi's high-grade zinc concentrate assays include significant quantities of germanium and gallium. Germanium is a strategic metal used today in electronic devices, flat-panel display screens, light-emitting diodes, night vision devices, optical fibre, optical lens systems, and solar power arrays. Gallium is a strategic metal used today to manufacture compound semiconductor wafers used in integrated circuits, and optoelectronic devices such as laser diodes, light-emitting diodes, photodetectors, and solar cells.

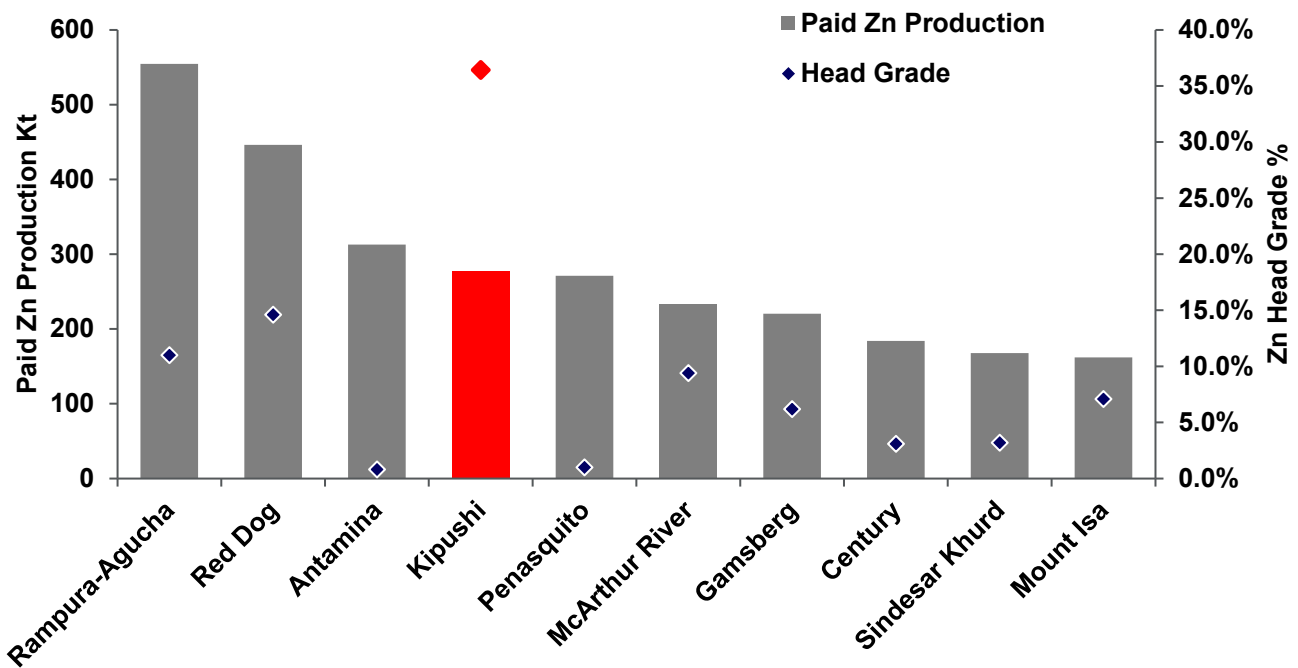
### ***Kipushi concentrator continues ramp-up during the third quarter, producing 17,817 tonnes of zinc in concentrate***

Construction of the new 800,000-tonne-per-annum concentrator facility was completed months ahead of schedule on May 31, 2024, following the first feed of ore. The concentrator process consists of dense media separation (DMS) and a milling and flotation circuit. Design recoveries are targeted to be 96% with a concentrate grade averaging up to 55% contained zinc. As per the Kipushi 2022 Feasibility Study, released on February 14, 2022, over the first five years annualized production is expected to average 278,000 tonnes of zinc in concentrate, positioning Kipushi as the world's fourth-largest zinc mine and the largest on the African continent. See Figure 2.

Commissioning of the Kipushi concentrator commenced in early May, with first feed of ore from the surface ROM stockpiles fed through the ball mill during the evening of May 31, 2024. Following first concentrate production on June 14, 2024, ramp-up of Kipushi's concentrator continued during the third quarter. Kipushi's concentrator milled approximately 88,000 tonnes of ore during the third quarter at an average feed grade of 27.1% zinc. Quarterly zinc production from the concentrator was 17,817 tonnes, at an average flotation recovery rate of 72.0%. Exports of zinc concentrate also commenced towards the end of the quarter.

Ramp up of Kipushi's concentrator has been slower than anticipated as a result of three principal factors: first, ore mined and stockpiled from the top of the Big Zinc orebody has a relatively high iron content, which was negatively impacting concentrator recoveries prior to reagent adjustments; second, ore feed into the DMS circuit contains a higher than expected proportion of fine material ("fines"), which is limiting throughput; and third, the increase in power requirement, from 5 MW used during construction to 18 MW for operations, has exposed transmission bottlenecks in the local grid infrastructure.

**Figure 2. World’s top 10 zinc mines estimated for 2025, by paid zinc production per annum (‘000 tonnes) with head grade (% zinc).**



Source: Wood Mackenzie, 2024, Ivanhoe Mines. Production and grade assumptions for Kipushi are the first five-year average as stated in the 2022 Feasibility Study.

During the latter part of September and into October, the Kipushi concentrator regularly operated close to its at its nameplate throughput of over 80 tonnes per hour (800,000 tonnes per annum). Over a 24-hour period after quarter-end, the Kipushi concentrator milled 2,108 tonnes of ore, producing 1,357 tonnes of zinc concentrate at a concentrate grade of 52% contained zinc. This is equivalent to an annualized zinc production of approximately 220,000 tonnes of zinc, after accounting for availability. However, the operational disruptions have inhibited the nameplate throughput from being sustained on a consistent basis.

While the Kipushi concentrator’s metallurgical recoveries improved to over 90% in the latter half of September, targeting a design rate of approximately 95%, a work program is underway to separate the ore fines upstream of the DMS, as well as upgrade the local grid infrastructure. This work program will be carried out concurrently with the debottlenecking program and be complete in Q3 2025.

The Kipushi concentrator’s nameplate production rate is expected to be achieved in Q1 2025. As a result, the full-year production guidance range for Kipushi has been reduced from 100,000 – 140,000 tonnes of zinc in concentrate, to 50,000 – 70,000 tonnes of zinc in concentrate.

Engineering and procurement of long-lead order equipment items are well underway for the Kipushi debottlenecking program. The debottlenecking of the Kipushi concentrator is targeting a 20% increase in concentrator processing capacity to 960,000 tonnes of ore per annum. The debottlenecking program is expected to be completed in Q3 2025. There is sufficient capacity to increase mining and hoisting rates to sustainably support this increased concentrator throughput.

***Run-of-mine stockpiles to support ramp-up to steady-state production, with underground development advancing ahead of schedule***

As of September 30, 2024, a total of 360,000 tonnes of ore at an average grade of 23% zinc is stored in surface ROM stockpiles adjacent to the Kipushi concentrator. This includes a high-grade section of 150,000 tonnes of ore at an average grade of 30% zinc.



Underground development continues to progress ahead of schedule. Year to date, over 3,000 metres of underground development have been completed, approximately 100 metres ahead of schedule.

**Photo: Kipushi's mine surveying crew, led by Tshibamba-Lole Flory, flying a drone into a mined out stope of the ultra-high grade Big Zinc orebody to measure the excavation**



**Photo: Aerial view of the Kipushi concentrator, with the P5 Shaft in the background. At quarter end, there were 360,000 tonnes of ore at an average grade of 23% zinc stored in surface ROM stockpiles adjacent to the Kipushi concentrator.**



## ZINC PRODUCTION AND CASH COST GUIDANCE FOR 2024

### Kipushi 2024 Guidance

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<b>Previous guidance</b>	<b>100,000 to 140,000</b>	<b>Contained zinc in concentrate (tonnes)</b>
<b>Revised guidance</b>	<b>50,000 to 70,000</b>	<b>Contained zinc in concentrate (tonnes)</b>

Revised full year production guidance reflects production lost due to slower than expected ramp-up of the Kipushi concentrator, due to metallurgical challenges and intermittent grid power.

Guidance figures are on a 100% project basis and metal reported in concentrate is before treatment losses or payability deductions associated with smelter terms. Kipushi's 2024 production guidance is based on several assumptions and estimates, including among other things, assumptions about the timing of ramp-up of the new 800,000-tonne-per-annum Kipushi concentrator. Guidance involves estimates of known and unknown risks, uncertainties and other factors that may cause the actual results to differ materially.

## PLATREEF PROJECT

The Platreef Project is owned by Ivanplats (Pty) Ltd. (Ivanplats), which is 64%-owned by Ivanhoe Mines. A 26% interest is held by Ivanplats' historically disadvantaged, broad-based, black economic empowerment (B-BBEE) partners, which include 20 local host communities with approximately 150,000 people, project employees and local entrepreneurs. A Japanese consortium of ITOCHU Corporation, Japan Oil, Gas and Metals National Corporation (JOGMEC), and Japan Gas Corporation, owns a 10% interest in Ivanplats, which it acquired in two tranches for a total investment of \$290 million.

The Platreef Project hosts an underground deposit of thick, platinum-group metals, nickel, copper, and gold mineralization on the Northern Limb of the Bushveld Igneous Complex in Limpopo Province – approximately 280 kilometres northeast of Johannesburg and eight kilometres from the town of Mokopane in South Africa.

On the Northern Limb, platinum-group metals mineralization is primarily hosted within the Platreef, a mineralized sequence traced for more than 30 kilometres along strike. Ivanhoe's Platreef Project, within the Platreef's southern sector, is comprised of two contiguous properties: Turfspruit and Macalacaskop. Turfspruit, the northernmost property, is contiguous with, and along strike from, Anglo Platinum's Mogalakwena group of mining operations and properties.

Since 2007, Ivanhoe has focused its exploration and development activities on defining and advancing the down-dip extension of its original discovery at Platreef, now known as the Flatreef Deposit, which is amenable to highly mechanized, underground mining methods.

***Cold commissioning of the Phase 1 concentrator completed early in Q3; first ore scheduled for H2 2025 while underground development prioritizes waste development to accelerate the start of Phase 2.***

Construction of Platreef's Phase 1 concentrator was completed on-schedule early in the third quarter. Cold commissioning started in July, with water being fed through the concentrator. The concentrator will be kept on care and maintenance until H2 2025, as Shaft #1 prioritizes the hoisting of waste development required to bring forward the start of Phase 2.

**Photo: The Platreef Phase 1 concentrator in the foreground, with the headframes of Shaft #1 and #2 in the background. First concentrate from the Phase 1 concentrator is expected in the second half of 2025, while underground development prioritizes development to accelerate Phase 2.**



**Photo: Phindile Thathi, Shift Supervisor at Ivanplats, overseeing the raiseboring of a ventilation shaft between the 950-metre level and 750-metre level.**



***Updated feasibility study for optimized Platreef Phase 2 and PEA for new Phase 3 expected in Q1 2025, ranking Platreef as one of the world’s largest PGM producers***

In 2023, Ivanhoe’s engineering team completed an internal optimization study of the phased expansion of the Platreef Project. Current underground development and operations are dependent on the initial 1 Mtpa Shaft #1 until the 10-metre-diameter, 8-Mtpa Shaft #2 is commissioned. The study concluded that accelerating the startup of Phase 2 will create significant project value.

Following the completion of the optimization study, DRA Global of Johannesburg, South Africa, were appointed to update the Platreef 2022 Feasibility Study for the optimized and accelerated Phase 2 expansion. Study work is nearing completion, with results expected to be released in the first quarter of 2025.

In parallel with the release of the updated Phase 2 feasibility study, Ivanhoe also commissioned a preliminary economic assessment (PEA) for an additional expansion, Phase 3, taking the total Platreef processing capacity up to approximately 10 Mtpa. The new Phase 3 expansion is expected to consist of two additional 3.3-Mtpa concentrator modules, to be located adjacent to the Phase 1 and 2 concentrators. Phase 3 is anticipated to rank Platreef as one of the world’s largest and lowest-cost platinum-group metal, nickel, copper and gold producers. The 10-Mtpa concentrator capacity of the Phase 3 expansion will be 12.5 times greater than that of Phase 1 and 2.5 times greater than the processing capacity of the optimized Phase 2 expansion. The results of the Phase 3 PEA will be released at the same time as the updated feasibility study for Phase 2.

**Reaming of Shaft #3 from 950 metres recently completed; Phase 2 expansion based on additional hoisting capacity from Shaft #3**

The Phase 2 expansion will be accelerated by re-purposing ventilation Shaft #3 for hoisting. Shaft #3 will generate additional hoisting capacity of approximately 4 Mtpa, bringing the total hoisting capacity to approximately 5 Mtpa.

The reaming of Shaft #3 to a diameter of 5.1-metre down has recently been completed. Reaming is the process of boring, or excavating, a vertical shaft from the bottom up and it is the quickest and safest method of constructing a shaft. Once equipped, Shaft #3 is expected to be ready for hoisting in the first quarter of 2026, well ahead of the completion of the much larger Shaft #2.

The internal study concluded that equipping Shaft #3 for hoisting de-risks Phase 1 underground operations ahead of the completion of Shaft #2 and accelerates the underground development for Phase 2. In addition, the Phase 2 concentrator would have an increased processing capacity of 3.3 Mtpa, up from 2.2 Mtpa as per the first module of Phase 2 defined in the Platreef 2022 Feasibility Study. Therefore, the Phase 1 and Phase 2 concentrators will have a total combined processing capacity of approximately 4 Mtpa, with ore fed by Shaft #1 and Shaft #3.

Additional underground ventilation will now be provided by two new 5.1-metre-diameter shafts, named Shaft #4 and Shaft #5. Drilling of the pilot hole for Shaft #4 is complete, with reaming expected to start imminently. Civil construction of Shaft #4's substation building and ventilation fans are advancing well. Geotechnical drilling has commenced on the proposed Shaft #5 site.

**Photo: Platreef's Shaft #2 head gear (centre) with the base and structural steel of Shaft #3's Rock Winder in the foreground.**



The installation of the 1,124 tonnes of internal structural steel inside Shaft #2's head frame continued during the quarter, as well as the installation of the Sinking Winders and related infrastructure. Reaming of Shaft #2 to an initial diameter of 3.1 metres is progressing well with approximately 100 metres remaining and completion expected in the coming weeks. Expansion of the shaft to its final diameter of 10 metres will commence in late 2025. The completion of Shaft #2 will increase the total hoisting capacity for ore and waste development, across all three shafts to over 12 Mtpa.

Construction of Platreef's first 5 MW solar power facility is expected to be complete by year-end. The power generated by the plant will support development activities and operations, together with other renewable energy sources that are expected to be introduced over time.

**Photo: Construction of Platreef's first solar plant is expected to be complete by year end.**



## WESTERN FORELANDS EXPLORATION PROJECT

Ivanhoe's DRC exploration group is targeting Kamo-a-Kakula-style copper mineralization on its Western Forelands exploration licences. More recent discoveries at Makoko, Makoko West, Kiala and Kitoko, confirm the effectiveness of these models and the understanding of controls on this highly valuable and unique style of mineralization.

Diamond drilling during the third quarter of 2024 was focused on Makoko West, Kitoko, Sakanama and Lubudi. Nine contractor rigs were in operation across the Western Foreland at quarter end, having completed a total of 23,409 metres of diamond core over 52 drill holes. Ivanhoe is well on track to complete the stated total of 70,000 metres of diamond drilling for the year, with over 63,000 metres of diamond drilling complete through the first nine months of 2024. Reverse Circulation (RC) drilling through the Kalahari sand cover at Kamili has progressed well during the quarter, with a total of 343 holes completed totaling 6,719 metres of drilling.

Drilling at Makoko West (southwest of the original Makoko mineral resource, as announced on November 13, 2023) continued in the third quarter with a total of 10,798 metres were drilled across 25 completed holes. Positive results from the ongoing drilling around the Makoko area, and more recently the highly prospective "Makoko West" target, led to the acquisition of three adjacent exploration licences, covering an area of 336 km<sup>2</sup>.

Exploration activities on the newly acquired licences commenced at the beginning of the fourth quarter. A new drilling contractor has been appointed and two rigs have been mobilized for a 32,000-metre drilling program. This is in addition to the nine drill rigs currently deployed across the Western Forelands, of which six are focused on Makoko, Makoko West and Kitoko.

**Photo: Fabrice Kalwila, Rig Operator, Titan Drilling preparing newly drilled core for logging at Kitoko**



Drilling activity at Kitoko continues to test the extent of the system, and to understand the controls on mineralization. A total of 5,313 metres were drilled during the quarter across 13 holes.

With the third quarter falling within the middle of the dry season, access to the more remote areas of the Western Forelands land package greatly improved. Therefore, targets such as Sakanama and Lubudi on the outer edges of the licence package were drilled during the quarter, with a total of 4,794 metres drilled across nine holes.

Stratigraphic drilling continued in the Lubudi region to the south of Makoko during the quarter with five wide spaced diamond drillholes totalling 2,323 metres completed.

A proof-of-concept passive seismic program commenced at Kitoko in the third quarter, testing the technology's ability to image key Katangan geological horizons below thick Kalahari sand which blankets prospective geological formations. Learnings from this program will be applied elsewhere on the Western Foreland and on Ivanhoe's Angolan Project where thick Kalahari sands are also present.

Planning is underway for another major drill campaign across the Western Forelands in 2025, details of which will be released before year-end.



## SELECTED QUARTERLY FINANCIAL INFORMATION

The following table summarizes selected financial information for the prior eight quarters. Ivanhoe had no operating revenue in any prior financial reporting period. Revenue from commercial production at the Kipushi Mine will commence in Q4 2024. All revenue from production at Kamoia-Kakula is recognized within the Kamoia Holding joint venture. Ivanhoe did not declare or pay any dividend or distribution in any financial reporting period.

	Three months ended			
	September 2024	June 30, 2024	March 31, 2024	December 31, 2023
	\$'000	\$'000	\$'000	\$'000
Share of profit from joint venture	83,507	89,616	45,165	49,272
Finance income	60,164	62,873	62,457	63,110
Deferred tax recovery	575	1,398	3,221	4,201
Finance costs	(471)	(32,871)	(8,944)	(6,741)
Loss on fair valuation of embedded derivative	(4,171)	(20,727)	(139,271)	(39,961)
General administrative expenditure	(10,573)	(12,345)	(14,001)	(14,947)
Exploration and project evaluation expenditure	(12,813)	(10,589)	(8,901)	(8,637)
Share-based payments	(7,504)	(8,505)	(8,933)	(7,715)
Profit (loss) attributable to:				
Owners of the Company	117,942	76,401	(65,552)	27,739
Non-controlling interests	(9,760)	(9,885)	(3,858)	(1,980)
Total comprehensive income (loss) attributable to:				
Owners of the Company	141,525	88,223	(73,648)	37,155
Non-controlling interest	(7,469)	(8,672)	(4,728)	(1,003)
Basic profit (loss) per share	0.09	0.06	(0.05)	0.02
Diluted profit (loss) per share	0.09	0.06	(0.05)	0.02

	Three months ended			
	September 2023	June 30, 2023	March 31, 2023	December 31, 2022
	\$'000	\$'000	\$'000	\$'000
Share of profit from joint venture	69,829	73,066	82,659	83,324
Finance income	56,671	61,956	57,826	58,477
Gain (loss) on fair valuation of embedded derivative liability	12,218	(26,618)	(30,900)	(66,600)
General administrative expenditure	(9,841)	(10,474)	(8,571)	(11,870)
Finance costs	(8,752)	(5,539)	(10,465)	(10,457)
Share-based payments	(6,732)	(7,120)	(7,702)	(7,809)
Exploration and project evaluation expenditure	(6,264)	(4,375)	(3,381)	(3,887)
Deferred tax (expense) recovery	1,212	1,965	926	(3,839)
Profit (loss) attributable to:				
Owners of the Company	112,510	92,042	86,637	41,884
Non-controlling interests	(4,988)	(4,859)	(4,157)	(4,705)
Total comprehensive income (loss) attributable to:				
Owners of the Company	109,681	86,588	74,154	53,078
Non-controlling interest	(5,250)	(5,443)	(5,420)	(3,621)
Basic profit per share	0.09	0.08	0.07	0.03
Diluted profit per share	0.08	0.07	0.07	0.03

## DISCUSSION OF RESULTS OF OPERATIONS

### *Review of the three months ended September 30, 2024 vs. September 30, 2023*

The Company recorded a profit for Q3 2024 of \$108 million compared to a profit of \$108 million for the same period in 2023. The profit for Q3 2023 included a gain on the fair valuation of the embedded derivative financial liability of \$12 million, compared to a loss on the fair valuation of the embedded derivative financial liability of \$4 million in Q3 2024.

The total comprehensive income for Q3 2024 was \$134 million compared to \$104 million for Q3 2023. Included in the total comprehensive income for Q3 2024 is an exchange gain on translation of foreign operations of \$26 million, resulting mainly from the strengthening of the South African Rand by 6% from June 30, 2024 to September 30, 2024, compared to an exchange loss on translation of foreign operations recognized for the same period in 2023 of \$3 million.

Ivanhoe's exploration and project evaluation expenditure amounted to \$13 million in Q3 2024 and \$6 million for the same period in 2023. Exploration and project evaluation expenditure for Q3 2024 related mainly to exploration at Ivanhoe's Western Foreland exploration licences.

Finance income for Q3 2024 amounted to \$60 million and was \$3 million more than for the same period in 2023 (\$57 million). Included in finance income is the interest earned on loans to the Kamoia Holding joint venture to fund past development which amounted to \$57 million for Q3 2024, and \$52 million for the same period in 2023, and increased due to the higher accumulated loan balance.

The Company recognized a loss on the fair valuation of the embedded derivative financial liability of \$4 million for Q3 2024, compared to a gain of \$12 million for Q3 2023.

The Kamoia-Kakula Copper Complex sold 103,106 tonnes of payable copper in Q3 2024 realizing revenue of \$828 million for the Kamoia Holding joint venture, compared to 96,509 tonnes of payable copper sold for revenue of \$695 million for the same period in 2023. The Company recognized income in aggregate of \$141 million from the joint venture in Q3 2024 and \$121 million for the same period in 2023, which can be summarized as follows:

	<b>Three months ended</b>	
	<b>September 30,</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Company's share of profit from joint venture	83,507	69,829
Interest on loan to joint venture	57,077	51,561
<b>Company's income recognized from joint venture</b>	<b>140,584</b>	<b>121,390</b>

The Company's share of profit from the Kamoia Holding joint venture was \$14 million more in Q3 2024 compared to the same period in 2023 and is broken down in the following table:

	Three months ended	
	September 30,	
	2024	2023
	\$'000	\$'000
Revenue from contract receivables	836,871	681,821
Remeasurement of contract receivables	(8,983)	13,014
<b>Revenue</b>	<b>827,888</b>	<b>694,835</b>
Cost of sales	(408,919)	(286,030)
<b>Gross profit</b>	<b>418,969</b>	<b>408,805</b>
General and administrative costs	(22,260)	(32,632)
Amortization of mineral property	(4,507)	(3,002)
<b>Profit from operations</b>	<b>392,202</b>	<b>373,171</b>
Finance costs	(83,815)	(85,097)
Foreign exchange loss	(4,232)	(15,249)
Finance income and other	5,737	5,323
<b>Profit before taxes</b>	<b>309,892</b>	<b>278,148</b>
Current tax expense	(125,852)	(44,276)
Deferred tax expense	34,093	(55,212)
<b>Profit after taxes</b>	<b>218,133</b>	<b>178,660</b>
Non-controlling interest of Kamo Holding	(49,431)	(37,592)
Total comprehensive income for the period	168,702	141,068
<b>Company's share of profit from joint venture (49.5%)</b>	<b>83,507</b>	<b>69,829</b>

The realized and provisional copper prices used for the remeasurement (mark-to-market) of contract receivables for the three months ended September 30, 2024, and for the same period in 2023, can be summarized as follows:

	Three months ended	
	September 30,	
	2024	2023
	\$'000	\$'000
<b><i>Realized during the period - open at the start of the period</i></b>		
Opening forward price (\$/lb.) <sup>(1)</sup>	4.32	3.77
Realized price (\$/lb.) <sup>(1)</sup>	4.18	3.86
Payable copper tonnes sold	63,633	69,089
Remeasurement of contract receivables (\$'000)	(20,442)	16,881
<b><i>Realized during the period - new copper sold in the current period</i></b>		
Provisional price (\$/lb.) <sup>(1)</sup>	4.15	3.83
Realized price (\$/lb.) <sup>(1)</sup>	4.14	3.78
Payable copper tonnes sold	68,725	26,271
Remeasurement of contract receivables (\$'000)	(2,088)	(3,040)
<b><i>Open at the end of the period - new copper sold in current period</i></b>		
Provisional price (\$/lb.) <sup>(1)</sup>	4.23	3.76
Closing forward price (\$/lb.) <sup>(1)</sup>	4.41	3.76
Payable copper tonnes sold	34,382	70,534
Remeasurement of contract receivables (\$'000)	13,547	(827)
<b>Total remeasurement of contract receivables (\$'000)</b>	<b>(8,983)</b>	<b>13,014</b>

<sup>(1)</sup> Calculated on a weighted average basis

The finance costs recognized in the Kamoia Holding joint venture can be broken down as follows:

	Three months ended	
	September 30,	
	2024	2023
	\$'000	\$'000
Interest on shareholder loans	118,364	104,132
Interest on shareholder loans - capitalized as borrowing costs	(80,922)	(40,172)
Interest on provisional and advance payment facilities	32,121	14,786
Interest on bank loans and overdraft facilities	10,113	2,142
Interest on equipment financing facilities	2,370	2,700
Lease liability unwinding	1,769	1,509
	<b>83,815</b>	<b>85,097</b>

## Review of the nine months ended September 30, 2024 vs. September 30, 2023

The Company recorded a profit of \$105 million and a total comprehensive income of \$135 million for the nine months ended September 30, 2024, compared to a profit of \$277 million and a total comprehensive income of \$254 million for the same period in 2023. The profit for the nine months ended September 30, 2023, included a loss on fair valuation of embedded derivative liability of \$45 million, compared to a loss on fair valuation of embedded derivative financial liability of \$164 million for the same period in 2024.

The total comprehensive income for the nine months ended September 30, 2024 was \$135 million compared to a total comprehensive income of \$254 million for the same period in 2023 and included an exchange gain on translation of foreign operations of \$30 million for the nine months ended September 30, 2024, resulting mainly from the strengthening of the South African Rand by 6% from December 31, 2023, to September 30, 2024, compared to an exchange loss on translation of foreign operations recognized for the same period in 2023 of \$23 million.

Ivanhoe's exploration and project evaluation expenditure amounted to \$32 million for the nine months ended September 30, 2024, and was \$18 million more than for the same period in 2023 (\$14 million). Exploration and project evaluation expenditure for 2024 related mainly to exploration at Ivanhoe's Western Foreland exploration licences.

As explained in the accounting for the convertible notes section on page 36, the Company recognized a loss on fair valuation of the embedded derivative financial liability of \$164 million for the nine months ended September 30, 2024 (2023: loss of \$45 million) as well as \$28 million of finance costs during the period due to the early redemption of the convertible notes.

Finance income amounted to \$185 million for the nine months ended September 30, 2024, and \$176 million for the same period in 2023. Included in finance income is the interest earned on loans to the Kamo Holding joint venture to fund past development that amounted to \$171 million for the nine months ended September 30, 2024, and \$149 million for the same period in 2023 and increased due to the higher accumulated loan balance.

The Company recognized income in aggregate of \$389 million from the joint venture in the nine months ended September 30, 2024 (2023: \$375 million), which can be summarized as follows:

	Nine months ended	
	September 30,	
	2024	2023
	\$'000	\$'000
Company's share of profit from joint venture	218,288	225,554
Interest on loan to joint venture	170,591	148,990
<b>Company's income recognized from joint venture</b>	<b>388,879</b>	<b>374,544</b>

The Company's share of profit from the Kamo Holding joint venture was \$218 million for the nine months ended September 30, 2024, compared to a profit of \$226 million for the same period in 2023, the breakdown of which is summarized in the following table:

	Nine months ended September 30,	
	2024	2023
	\$'000	\$'000
Revenue from contract receivables	2,263,184	2,071,274
Remeasurement of contract receivables	97	15,066
<b>Revenue</b>	<b>2,263,281</b>	<b>2,086,340</b>
Cost of sales	(1,015,688)	(803,253)
<b>Gross profit</b>	<b>1,247,593</b>	<b>1,283,087</b>
General and administrative costs	(96,000)	(91,072)
Amortization of mineral property	(10,343)	(8,603)
<b>Profit from operations</b>	<b>1,141,250</b>	<b>1,183,412</b>
Finance costs	(228,674)	(264,471)
Foreign exchange loss	(25,220)	(49,467)
Finance income and other	10,846	15,511
<b>Profit before taxes</b>	<b>898,202</b>	<b>884,985</b>
Current tax expense	(327,171)	(239,869)
Deferred tax expense	16,705	(64,551)
<b>Profit after taxes</b>	<b>587,736</b>	<b>580,565</b>
Non-controlling interest of Kamoia Holding	(146,750)	(124,900)
Total comprehensive income for the year	440,986	455,665
<b>Company's share of profit from joint venture (49.5%)</b>	<b>218,288</b>	<b>225,554</b>

The realized and provisional copper prices used for the remeasurement (mark-to-market) of contract receivables for the nine months ended September 30, 2024, and for the same period in 2023, can be summarized as follows:

	Nine months ended September 30,	
	2024	2023
	\$'000	\$'000
<b>Realized during the period - open at the start of the period</b>		
Opening forward price (\$/lb.) <sup>(1)</sup>	3.86	3.79
Realized price (\$/lb.) <sup>(1)</sup>	3.81	4.19
Payable copper tonnes sold	35,966	57,803
Remeasurement of contract receivables (\$'000)	(4,014)	52,098
<b>Realized during the period - new copper sold in the current period</b>		
Provisional price (\$/lb.) <sup>(1)</sup>	4.15	3.93
Realized price (\$/lb.) <sup>(1)</sup>	4.13	3.85
Payable copper tonnes sold	249,780	213,492
Remeasurement of contract receivables (\$'000)	(9,436)	(36,205)
<b>Open at the end of the period - new copper sold in current period</b>		
Provisional price (\$/lb.) <sup>(1)</sup>	4.23	3.77
Closing forward price (\$/lb.) <sup>(1)</sup>	4.41	3.76
Payable copper tonnes sold	34,382	70,534
Remeasurement of contract receivables (\$'000)	13,547	(827)
<b>Total remeasurement of contract receivables (\$'000)</b>	<b>97</b>	<b>15,066</b>

<sup>(1)</sup> Calculated on a weighted average basis

The finance costs recognized in the Kamoā Holding joint venture for the nine months ended September 30, 2024 can be broken down as follows.

	Nine months ended September 30,	
	2024	2023
	\$'000	\$'000
Interest on shareholder loans	347,622	300,903
Interest on shareholder loans - capitalized as borrowing costs	(227,090)	(91,716)
Interest on provisional and advance payment facilities	79,893	41,480
Interest on bank loans and overdraft facilities	15,183	4,067
Interest on equipment financing facilities	7,693	7,652
Lease liability unwinding	5,373	2,085
	<b>228,674</b>	<b>264,471</b>

*Financial position as at September 30, 2024, vs. December 31, 2023*

The Company's total assets increased by \$601 million, from \$5,000 million as at December 31, 2023, to \$5,601 million as at September 30, 2024. The increase in total assets was mainly attributable to the increase in the Company's investment in the Kamoā Holding joint venture by \$389 million, the increase in property, plant and equipment of \$517 million as project development continued at the Platreef project and Kipushi mine, offset by the decrease in cash and cash equivalents of \$394 million.

The Company's investment in the Kamo Holding joint venture increased by \$389 million from \$2,518 million as at December 31, 2023, to \$2,906 million as at September 30, 2024. The Company's investment in the Kamo Holding joint venture can be broken down as follows:

	September 30, 2024	December 31, 2023
	\$'000	\$'000
Company's share of net assets in joint venture	1,003,554	785,265
Loan advanced to joint venture	1,902,877	1,732,286
<b>Total investment in joint venture</b>	<b>2,906,431</b>	<b>2,517,551</b>

The Company's share of net assets in the Kamo Holding joint venture can be broken down as follows:

	September 30, 2024		December 31, 2023	
	100%	49.5%	100%	49.5%
	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>				
Property, plant and equipment	5,818,641	2,880,227	4,195,216	2,076,632
Mineral property	768,079	380,199	778,423	385,319
Indirect taxes receivable	555,226	274,836	419,779	207,791
Current inventory	435,354	215,500	435,212	215,430
Run of mine stockpile	403,654	199,809	304,261	150,609
Long-term loan receivable	374,244	185,251	306,594	151,764
Trade receivables	346,366	171,451	241,944	119,762
Cash and cash equivalents	152,184	75,331	72,486	35,881
Other receivables	115,999	57,420	320,143	158,471
Right-of-use asset	49,698	24,601	56,966	28,198
Prepaid expenses	4,735	2,344	81,802	40,492
Non-current deposits	1,872	927	1,872	927
Deferred tax asset	599	297	606	300
<b>Liabilities</b>				
Shareholder loans	(3,844,638)	(1,903,096)	(3,500,105)	(1,732,552)
Term loan facilities	(678,538)	(335,876)	(111,193)	(55,041)
Advance payment facility	(665,295)	(329,321)	(150,449)	(74,472)
Trade and other payables	(327,854)	(162,288)	(471,377)	(233,332)
Deferred tax liability	(226,587)	(112,161)	(322,194)	(159,486)
Overdraft facility	(208,426)	(103,171)	(177,775)	(87,999)
Rehabilitation provision	(143,710)	(71,136)	(95,081)	(47,065)
Other provisions	(104,992)	(51,971)	(33,344)	(16,505)
Provisional payment facility	(75,336)	(37,291)	(51,501)	(25,493)
Income taxes payable	(107,684)	(53,304)	(217,028)	(107,429)
Lease liability	(49,870)	(24,686)	(51,913)	(25,697)
Non-controlling interest	(566,339)	(280,338)	(446,950)	(221,240)
<b>Net assets of the joint venture</b>	<b>2,027,382</b>	<b>1,003,554</b>	<b>1,586,394</b>	<b>785,265</b>



Before commencing commercial production in July 2021, the Kamo Holding joint venture principally used loans from its shareholders to develop the Kamo-Kakula Copper Complex through investing in development costs and other property, plant and equipment. No additional shareholder loans were advanced from 2022 to date with joint venture cashflow and joint venture level facilities funding its operations and expansions.

Overdraft facilities represent drawn unsecured financing facilities from DRC financial institutions at an attractive cost of capital, utilized to augment cash generated from operations for Kamo-Kakula's continued expansion and working capital. Total available overdraft facilities amount to \$264 million, with an interest rate of approximately 6.5%.

The term loan facilities of the Kamo Holding joint venture can be summarized as follows:

Description	Repayment terms	September 30, December 31,	
		2024	2023
		\$'000	\$'000
Syndicated term facility	Repayable in eight equal quarterly installments starting from March 31, 2026	397,047	-
Facility agreement	Full repayment on June 25, 2025	201,767	-
Equipment financing facilities	Installments on each quarterly facility repayment date, with \$44 million repayable in the next 12 months	79,724	111,193
<b>Total term loan facilities</b>		<b>678,538</b>	<b>111,193</b>

The cash flows of the Kamo Holding joint venture can be summarized as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Net cash generated from operating activities before change in working capital items	266,662	321,035	911,263	1,172,992
Change in working capital items	(193,352)	(233,835)	(265,948)	(490,748)
Net cash used in investing activities	(522,970)	(377,240)	(1,622,033)	(1,000,628)
Net cash generated from (used in) financing activities	214,626	(26,885)	1,024,519	(30,629)
Effect of foreign exchange rates on cash	(1,538)	7,740	1,246	7,399
<b>Net cash inflow (outflow)</b>	<b>(236,572)</b>	<b>(309,185)</b>	<b>49,047</b>	<b>(341,614)</b>
Cash and cash equivalents - beginning of the period	180,330	333,204	(105,289)	365,633
<b>Cash and cash equivalents - end of the period</b>	<b>(56,242)</b>	<b>24,019</b>	<b>(56,242)</b>	<b>24,019</b>

The Kamo Holding joint venture's net increase in property, plant and equipment from December 31, 2023, to September 30, 2024, amounted to \$1,623 million and can be further broken down as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Kamo Holding joint venture</b>				
Expansion capital	468,216	342,326	1,397,523	860,375
Sustaining capital	90,526	34,546	219,545	140,253
	558,742	376,872	1,617,068	1,000,628
Depreciation capitalized	13,581	11,216	39,974	29,413
Total capital expenditure	572,323	388,088	1,657,042	1,030,041
Borrowing costs capitalized	80,924	40,099	227,092	91,643
Total additions to property, plant and equipment for Kamo Holding	653,247	428,187	1,884,134	1,121,684
Less depreciation, disposals and foreign exchange translation	(94,110)	(41,797)	(260,709)	(128,338)
<b>Net increase in property, plant and equipment of Kamo Holding</b>	<b>559,137</b>	<b>386,390</b>	<b>1,623,425</b>	<b>993,346</b>

Ivanhoe's cash and cash equivalents decreased by \$394 million, from \$574 million as at December 31, 2023, to \$180 million as at September 30, 2024. The Company spent \$370 million on project development and acquiring other property, plant and equipment and \$66 million on its operating activities.

The net increase in property, plant and equipment amounted to \$517 million, with additions of \$387 million to project development and other property, plant and equipment. Of this total, \$195 million pertained to development costs and other acquisitions of property, plant and equipment at the Platreef Project, while \$190 million pertained to development costs and other acquisitions of property, plant and equipment at the Kipushi Mine as set out on page 35.

The main components of the additions to property, plant and equipment – including capitalized development costs – at the Platreef Project and Kipushi Mine for the nine months ended September 30, 2024, and for the same period in 2023, are set out in the following tables:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Platreef Project</b>				
Phase 2 construction	25,075	15,620	96,105	41,405
Phase 1 construction	30,841	40,370	49,728	96,282
Salaries and benefits	8,014	3,065	17,035	9,543
Administrative and other expenditure	3,352	2,226	8,308	5,514
Depreciation	2,170	1,259	6,314	4,411
Social and environmental	1,319	548	2,548	1,431
Site costs	1,478	1,114	3,731	3,098
Studies and contracting work	1,048	1,210	2,671	3,391
Total development costs	73,297	65,412	186,440	165,075
Other additions to property, plant and equipment	1,172	344	8,373	6,577
Total additions to property, plant and equipment for Platreef	74,469	65,756	194,813	171,652

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Kipushi Mine</b>				
Mine construction costs	14,069	56,870	108,470	96,029
Other expenditure	282	3,241	14,196	8,427
Salaries and benefits	8,064	4,430	26,715	12,262
Administration and overheads	8,182	5,451	17,619	12,070
Studies and contracting work	4,003	2,228	9,995	5,797
Depreciation	1,305	2,070	4,530	6,240
Electricity	3,302	1,760	7,841	5,293
Other additions to property, plant and equipment	59	24	171	451
Total project expenditure	39,266	76,074	189,537	146,569
<i>Accounted for as follows:</i>				
Additions to property, plant and equipment	14,128	58,215	108,641	96,480
Development costs capitalized to property, plant and equipment	25,138	17,859	80,896	50,089
Total project expenditure	39,266	76,074	189,537	146,569

Costs incurred during 2024 at the Platreef Project and Kipushi Mine are deemed necessary to bring the project to commercial production and are therefore capitalized as property, plant and equipment.

The carrying value of Ivanhoe's inventory increased by \$43 million, from \$2 million as at December 31, 2023, to \$45 million as at September 30, 2024. The increase represents the value attributed to the surface run of mine stockpiles adjacent to the Kipushi concentrator, Kipushi's zinc concentrate in inventory at the end of the quarter and consumable stores.

The Company's total liabilities decreased by \$601 million to \$818 million as at September 30, 2024, from \$1,419 million as at December 31, 2023, with the decrease mainly due to the conversion of the convertible notes as explained below.

On May 22, 2023, Kipushi Corporation SA (Kipushi), a subsidiary of the Company and the operator of the Kipushi Mine, entered into a loan agreement with Rawbank SA (Rawbank), a financial institution in the Democratic Republic of the Congo. Under the terms of the loan agreement, Rawbank provided an \$80 million loan, to be drawn down in two tranches of \$40 million each, to Kipushi to fund its working capital requirements. Both tranches of the loan were drawn down in 2023. The loan incurred interest at 8% per year plus a commission of 0.5% per quarter. Ivanhoe Mines Ltd. guaranteed all amounts due by Kipushi to Rawbank under this loan agreement. Kipushi repaid \$40 million of the loan in May 2024 and \$40 million of the loan in July 2024.

On May 28, 2024, Kipushi entered into a \$50 million facility agreement with FirstBank DRC SA (FirstBank). Under the terms of the agreement, FirstBank provided a \$50 million facility to Kipushi to finance costs related to the development of the project. Kipushi drew down on the full facility on the date of the agreement. The facility incurs interest at 3-month Term SOFR plus a margin of 4.5% per annum. Interest is repayable quarterly, with the facility repayable in full in May 2025. Repayment may automatically be extended by a further consecutive 12 months unless either party to the agreement gives written confirmation that there shall be no such automatic extension of the date.

On June 28, 2024 and July 5, 2024, Kipushi entered into offtaker facility agreements with Trafigura Asia Trading Pte Ltd. (Trafigura) and CITIC Metal (HK) Limited (CITIC) respectively. Each of the offtaker facility agreements made \$60 million available to Kipushi to finance costs related to the project. Both facilities were drawn down in full during the quarter. The facilities incur interest at Term SOFR plus a margin of 6% per annum. Interest is repayable monthly, while the facilities are repayable in 36 monthly installments commencing 18 months after the date of the first utilization request.

#### *Accounting for the convertible notes closed in March 2021*

The Company closed a private placement offering of \$575 million of 2.50% convertible senior notes maturing in 2026 on March 17, 2021. Upon conversion, the convertible notes were settleable, at the Company's election, in cash, common shares or a combination thereof. Due to this election right and conversion feature, the convertible notes have an embedded derivative liability that is measured at fair value with changes in value being recorded in profit or loss, as well as the host loan that is accounted for at amortized cost.

The convertible senior notes are senior unsecured obligations of the Company which will accrue interest payable semi-annually in arrears at a rate of 2.50% per annum and will mature on April 15, 2026, unless earlier repurchased, redeemed or converted. The initial conversion rate of the notes is 134.5682 Class A common shares of the Company per \$1,000 principal amount of notes or an initial conversion price of approximately \$7.43 per common share.

On April 30, 2024, the Company announced that it would redeem all outstanding convertible senior notes on July 11, 2024 (the "Redemption Date") at a price equal to 100% of the principal amount of the notes redeemed plus accrued and unpaid interest on such notes to, but not including, the Redemption Date. The Company would settle any conversions solely in shares, except that any fractional shares that would otherwise be deliverable will be paid out in cash. In lieu of surrendering their notes for redemption, holders could elect to convert their notes at any time before the close of business on July 10, 2024.

The conversion rate for all conversions of notes was 138.7073 Class A shares of the Company per \$1,000 principal amount of notes. The conversion rate includes an increase of 4.1391 additional shares per \$1,000 principal amount of notes above the conversion rate as the notes were called for redemption (calculated based on a ten-day average closing share price of C\$19.2520, or \$14.0363 at the prevailing exchange rate of C\$1.3717 to \$1.00).

Holders of \$573,795,000 convertible notes elected to convert, resulting in the issuance of 79,589,529 Class A shares. The remainder of the notes, totaling \$1,205,000, eligible for conversion remained unconverted by Redemption Date, resulting in the Company redeeming these notes in cash. A total cash payment of \$1.2 million was made by the Company on Redemption Date which comprised of the principal amount of notes that were not converted plus accrued and unpaid interest.

Before the commencement of the conversion period, on June 10, 2024, the Company adjusted the amortized cost of the host liability to reflect actual and revised estimated contractual cash flows using the original effective interest rate in accordance with the requirements of IFRS 9. The adjustment resulted in finance costs of \$71 million being recorded by the Company due to the early redemption of the notes, of which \$43 million was capitalized as borrowing costs to property, plant and equipment.

Each conversion request was treated separately. The number of shares required to be issued on receipt of a conversion request was calculated with reference to the conversion rate of 138.7073 Class A shares per \$1,000 principal amount of notes and rounded down to the nearest whole number. Any fractional shares that would otherwise be deliverable were paid out in cash. The total cash paid during the period was inconsequential. The fair value of the notes underlying a conversion request was determined before the conversion, with reference to the closing price of the Company shares on the Toronto Stock Exchange on the date of delivery of the shares and the prevailing exchange rates. The date of delivery of the shares was 2 business days after the receipt of the conversion request. It is at this delivery date, that the convertible notes are extinguished.

The host liability and embedded derivative liability components of the convertible notes were settled at each delivery date in proportion to the number of notes converted as a percentage of the total number of notes issued.

## LIQUIDITY AND CAPITAL RESOURCES

The Company had \$180 million in cash and cash equivalents as at September 30, 2024. At this date, the Company had consolidated working capital surplus of approximately \$76 million, compared to a working capital deficit of \$348 million at December 31, 2023.

The Company's capital expenditure can be summarized as follows:

<b>Capital Expenditure</b>	<b>YTD 2024 Actuals</b>	<b>2024 Guidance <sup>(1)</sup></b>	<b>2025 Guidance <sup>(1)</sup></b>
	<b>(\$' million)</b>	<b>(\$' million)</b>	<b>(\$' million)</b>
<b>Kamoa-Kakula</b>			
Phase 3 and other expansion capital	1,397	1,350 – 1,750	950 – 550
Sustaining capital	220	240	265
	<b>1,617</b>	<b>1,590 – 1,990</b>	<b>1,215 – 815</b>
<b>Platreef</b>			
Phase 1 initial capital	66	110 – 140	100 – 70
Phase 2 capital	123	130 – 180	220 – 170
	<b>189</b>	<b>240 – 320</b>	<b>320 – 240</b>
<b>Kipushi</b>			
Initial capital	185	185	5
Sustaining capital	–	35	40
	<b>185</b>	<b>220</b>	<b>45</b>

<sup>(1)</sup> As updated in the MD&A for the three and six months ended June 30, 2024, with the exception of the 2025 guidance for Platreef's Phase 2 capital which has been reduced from \$320 – \$270 million to \$220 – \$170 million. All capital expenditure figures are presented on a 100%-project basis.

The ranges provided reflect uncertainty in the timing of Kamoa-Kakula Phase 3 expansion and Platreef Phase 2 capital between calendar years 2024 and 2025.

First ore to Kamoa-Kakula's Phase 3 concentrator was achieved on May 26, 2024, with first concentrate reported on June 10, 2024. Construction of the direct-to-blister copper smelter is over 90% complete and targeted for completion early in 2025. Kamoa-Kakula's Phase 1 and 2 operations are anticipated to generate significant operating cash flow and are expected to, together with joint venture level financing facilities, be sufficient to fund the remaining Phase 3 capital cost requirements at current copper prices.

Construction of Platreef's Phase 1 concentrator was completed on schedule in July 2024. Hot commissioning and ramp-up of production are planned for the second half of 2025. Platreef's 2025 guidance is provisional only and will be updated upon the completion of the Feasibility Study with the updated project development strategy, which will be completed in Q4 2024.

Construction of the Kipushi concentrator facility is now complete with the first batch of concentrate produced on June 14, 2024. Kipushi is expected to reach commercial production in Q4 2024.

During the second quarter of 2024, Kipushi entered into a \$50 million facility agreement with FirstBank DRC SA (FirstBank). Under the terms of the agreement, FirstBank provided a \$50 million facility to Kipushi to finance costs related to the development of the project. Kipushi drew down on the full facility on the date of the agreement. The facility incurs interest at 3-month Term SOFR plus a margin of 4.5% per annum. Interest is repayable every three months, with the facility repayable in full in May 2025, but repayment may automatically be extended by a further consecutive 12 months unless either party to the agreement gives written confirmation that there shall be no such automatic extension of the date.

On October 25, 2024, Ivanhoe Marketing (Pty) Ltd., a subsidiary of the company, entered into a \$75 million revolving credit facility agreement with FirstRand Bank Limited. The revolving credit facility incurs interest at SOFR plus 3.25% with the company acting as Guarantor to the facility. Ivanhoe Marketing (Pty) Ltd. issued a utilization request for October 29, 2024, for an amount of \$40 million.

On August 4, 2023, the Company entered into an \$18 million loan agreement with Investec Bank Limited, a South African financial institution, in respect of its aircraft. Interest on the loan is incurred at SOFR + a margin of 3.65% per annum and is payable monthly in arrears. The principal amount is repayable monthly in 60 equal installments. The Company repaid \$2.3 million of the principal amount and \$1.1 million in interest during the nine months ended September 30, 2024.

Ivanhoe's exploration budget for 2024 has been set to approximately \$90 million, with exploration activities primarily focused on the 2,654-square-kilometre Western Forelands Project.

The Company has a mortgage bond outstanding on its offices in London, United Kingdom, of £3.2 million (\$4.3 million). The bond is fully repayable on August 28, 2025, secured by the property, and incurs interest at a rate of one month Sterling Overnight Index Average (SONIA) plus 1.90% payable monthly in arrears. Only interest will be payable until maturity.

In 2013, the Company became a party to a loan payable to ITC Platinum Development Limited, which had a carrying value and contractual value of \$40 million as at September 30, 2024. The loan is repayable once the Platreef Project has residual cash flow, which is defined in the loan agreement as gross revenue generated by the Platreef Project, less all operating costs attributable thereto, including all mining development and operating costs. The loan incurs interest of term SOFR applicable to United States Dollars on a 3-month deposit plus 2.26%. Interest is not compounded.

The Company has an implied commitment in terms of spending on work programs submitted to regulatory bodies to maintain the good standing of exploration and exploitation permits at its mineral properties. The following table sets forth the Company's long-term obligations:

<b>Contractual obligations as at September 30, 2024</b>	<b>Payments Due By Period</b>				
	<b>Total \$'000</b>	<b>Less than 1 year \$'000</b>	<b>1-3 years \$'000</b>	<b>4-5 years \$'000</b>	<b>After 5 years \$'000</b>
Debt	149,368	43,539	65,856	39,973	–
Lease commitments	71,599	9,355	62,244	–	–
<b>Total contractual obligations</b>	<b>220,967</b>	<b>52,894</b>	<b>128,100</b>	<b>39,973</b>	<b>–</b>

Debt in the above table represents the mortgage bond owing to Citibank, the loan payable to ITC Platinum Development Limited, the loans from Rawbank and FirstBank and the aircraft loan as described above.

## NON-GAAP FINANCIAL PERFORMANCE MEASURES

Kamoa-Kakula's cash cost (C1) per pound is a non-GAAP financial measure. These are disclosed to enable investors to better understand the performance of Kamoa-Kakula in comparison to other copper producers who present results on a similar basis.

Cash cost (C1) is prepared on a basis consistent with the industry standard definitions by Wood Mackenzie cost guidelines but are not measures recognized under IFRS Accounting Standards. In calculating the C1 cash cost, the costs are measured on the same basis as the company's share of profit from the Kamoa Holding joint venture that is contained in the financial statements. C1 cash cost is used by management to evaluate operating performance and includes all direct mining, processing, and general and administrative costs. Smelter charges and freight deductions on sales to the final port of destination, which are recognized as a component of sales revenues, are added to C1 cash cost to arrive at an approximate cost of finished metal. C1 cash cost and C1 cash cost per pound exclude royalties, production taxes and non-routine charges as they are not direct production costs.

*Reconciliation of Kamoa-Kakula's cost of sales to C1 cash cost, including on a per pound basis:*

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Cost of sales</b>	<b>408,919</b>	<b>286,030</b>	<b>1,015,688</b>	<b>803,253</b>
Logistics, treatment and refining charges	119,980	122,460	344,495	357,790
General and administrative expenditure	22,260	32,631	96,000	91,071
Royalties and production taxes	(66,515)	(60,450)	(187,985)	(174,256)
Depreciation	(73,918)	(49,692)	(210,660)	(135,902)
Power rebate	(4,208)	(4,654)	(13,163)	(13,926)
Non-cash adjustments to inventory	16,816	1,133	21,213	(329)
Extraordinary taxes	(60)	–	(21,917)	–
General and administrative expenditures of other group entities	(772)	(4,465)	(2,893)	(9,110)
<b>C1 cash costs</b>	<b>422,502</b>	<b>322,993</b>	<b>1,040,778</b>	<b>918,591</b>
Cost of sales per pound of payable copper sold (\$ per lb.)	1.80	1.34	1.62	1.28
C1 cash costs per pound of payable copper produced (\$ per lb.)	1.69	1.46	1.60	1.43
Payable copper produced in concentrate (tonnes)	113,313	100,569	295,471	291,543

Figures in the above table are for the Kamoa-Kakula joint venture on a 100% basis.



*EBITDA, Adjusted EBITDA and EBITDA margin, normalized profit after tax and normalized profit per share*

EBITDA and Adjusted EBITDA are non-GAAP financial measures. Ivanhoe believes that Kamoakakula's EBITDA is a valuable indicator of the mine's ability to generate liquidity by producing operating cash flow to fund its working capital needs, service debt obligations, fund capital expenditures and distribute cash to its shareholders. EBITDA and Adjusted EBITDA are also frequently used by investors and analysts for valuation purposes. Kamoakakula's EBITDA and the EBITDA and Adjusted EBITDA for the Company are intended to provide additional information to investors and analysts and do not have any standardized definition under IFRS Accounting Standards and should not be considered in isolation or as a substitute for measures of performance prepared per IFRS Accounting Standards. EBITDA and Adjusted EBITDA exclude the impact of cash cost of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore are not necessarily indicative of operating profit or cash flow from operations as determined under IFRS Accounting Standards. Other companies may calculate EBITDA and Adjusted EBITDA differently.

The EBITDA margin is an indicator of Kamoakakula's overall health and denotes its profitability, which is calculated by dividing EBITDA by revenue. The EBITDA margin is intended to provide additional information to investors and analysts, does not have any standardized definition under IFRS Accounting Standards, and should not be considered in isolation, or as a substitute, for measures of performance prepared per IFRS Accounting Standards.

*Reconciliation of profit after tax to Kamoakakula's EBITDA:*

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Profit after taxes	218,133	178,660	587,736	580,565
Finance costs	83,815	85,097	228,674	264,471
Finance income	(5,683)	(5,341)	(10,775)	(15,668)
Current and deferred tax expense	91,759	99,488	310,466	304,420
Other taxes	60	–	21,917	–
Unrealized foreign exchange loss	3,226	12,613	22,864	58,857
Depreciation	78,425	52,694	221,003	144,505
<b>EBITDA</b>	<b>469,735</b>	<b>423,211</b>	<b>1,381,885</b>	<b>1,337,150</b>

Figures in the above table are for the Kamoakakula joint venture on a 100% basis.

Reconciliation of profit after tax to Ivanhoe's EBITDA and adjusted EBITDA:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
			\$'000	\$'000
Profit after taxes	108,182	107,522	105,288	277,185
Finance income	(60,164)	(56,671)	(185,494)	(176,453)
Depreciation	1,010	703	2,456	1,788
Current and deferred tax expense (recovery)	644	(1,107)	(1,733)	(3,757)
Finance costs	471	8,752	42,286	24,756
Unrealized foreign exchange (gain) loss	(1,319)	986	7,053	4,211
<b>EBITDA</b>	<b>48,824</b>	<b>60,185</b>	<b>(30,144)</b>	<b>127,730</b>
Share of profit from joint venture net of tax	(83,507)	(69,829)	(218,288)	(225,554)
Company's share of EBITDA from Kamo-a-Kakula joint venture <sup>(1)</sup>	184,720	167,200	552,997	528,485
Loss on fair valuation of embedded derivative liability	4,171	(12,218)	164,169	45,300
Non-cash share-based payments	5,764	6,561	20,563	19,688
<b>Adjusted EBITDA</b>	<b>159,972</b>	<b>151,899</b>	<b>489,297</b>	<b>495,649</b>

<sup>(1)</sup> The Company's attributable share of EBITDA from the Kamo-a-Kakula joint venture is calculated using the Company's effective shareholding in Kamo-a Copper SA (39.6%), Ivanhoe Mines Energy DRC SARL (49.5%), Kamo-a Holding Limited (49.5%) and Kamo-a Services (Pty) Ltd (49.5%).

Normalized profit after tax and normalized profit per share are non-GAAP financial measures. Normalized profit after tax and normalized profit per share for the company is intended to provide additional information to investors and analysts and do not have any standardized definition under IFRS Accounting Standards and should not be considered in isolation or as a substitute for measures of performance prepared per IFRS Accounting Standards. Other companies may calculate normalized profit after tax and normalized profit per share differently.

Below is a table reconciling the Company's profit after taxes to the Company's normalized profit after taxes. Normalized profit after taxes excludes the loss on fair valuation of the embedded derivative liability and the finance costs on the early redemption of the convertible notes.

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Profit after taxes	108,182	107,522	105,288	277,185
Finance costs on early redemption of convertible notes	–	–	28,076	–
Loss (gain) on fair valuation of embedded derivative liability	4,171	(12,218)	164,169	45,300
<b>Normalized profit after taxes</b>	<b>112,353</b>	<b>95,304</b>	<b>297,533</b>	<b>322,485</b>

Below is a table reconciling the Company's basic profit per share to the company's normalized profit per share. Normalized profit per share excludes the loss on fair valuation of the embedded derivative liability and the finance costs on the early redemption of the convertible notes

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Profit attributable to the owners of the Company	117,942	112,510	128,791	291,189
Finance costs on early redemption of convertible notes	–	–	28,076	–
Loss (gain) on fair valuation of embedded derivative liability	4,171	(12,218)	164,169	45,300
<b>Normalized profit attributable to owners of the Company</b>	<b>122,113</b>	<b>100,292</b>	<b>321,036</b>	<b>336,489</b>
Weighted average number of basic shares outstanding	1,349,849,000	1,219,757,229	1,300,495,911	1,218,429,918
<b>Basic profit per share</b>	<b>0.09</b>	<b>0.09</b>	<b>0.10</b>	<b>0.24</b>
<b>Normalized profit per share</b>	<b>0.09</b>	<b>0.08</b>	<b>0.25</b>	<b>0.28</b>

#### OFF-BALANCE SHEET ARRANGEMENTS

The Company had no off-balance sheet arrangements for the periods under review.

## TRANSACTIONS WITH RELATED PARTIES

The following tables summarize related party income earned and expenses incurred by the Company, primarily on a cost-recovery basis, with companies related by way of directors or significant shareholders in common. The tables summarize the transactions with related parties and the types of income earned and expenditures incurred with related parties. Amounts in brackets denote expenses.

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Kamoa Holding Limited (a)	57,077	51,561	170,591	148,990
Kamoa Services (Pty) Ltd. (b)	888	1,052	3,187	3,266
Kamoa Copper SA (c)	282	247	933	774
Ivanhoe Mines Energy DRC SARL (d)	70	48	215	128
I-Pulse Inc. (e)	(5)	2	67	13
Ivanhoe Electric Inc. (f)	2	3	12	18
High Power Exploration Inc. (g)	–	–	3	7,792
Ivanhoe Capital Aviation Ltd. (h)	(1,125)	(1,125)	(3,375)	(3,375)
CITIC Metal Africa Investments Limited (i)	(53)	(53)	(158)	(158)
Global Mining Management Corporation (j)	(71)	(42)	(166)	(157)
Ivanhoe Capital Services Ltd. (k)	(113)	(112)	(234)	(334)
	<b>56,952</b>	51,581	<b>171,075</b>	156,957
Finance income	57,077	51,560	170,591	156,785
Intergroup recharges and cost recovery	1,200	1,352	4,278	4,171
Salaries and benefits	(170)	(125)	(279)	(364)
Travel	(1,129)	(1,125)	(3,306)	(3,375)
Office and administration	33	(10)	(33)	(61)
Directors fees	(53)	(53)	(158)	(158)
Consulting	(6)	(18)	(18)	(41)
	<b>56,952</b>	51,581	<b>171,075</b>	156,957

The transactions summarized above were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

As at September 30, 2024, trade and other payables included \$1.2 million (December 31, 2023: \$0.4 million) with regard to amounts due to parties related by way of directors, officers or shareholders in common. These amounts are unsecured and non-interest-bearing.

Amounts included in other receivables due from parties related by way of directors, officers or shareholders in common as at September 30, 2024, amounted to \$10.4 million (December 31, 2023: \$10 million). Of this, \$10.1 million is related to receivables from the joint venture (December 31, 2023: \$9.8 million).

The directors of the Company are considered to be related parties.

- (a) Kamoia Holding Limited (“Kamoia Holding”) is a company registered in Barbados. The Company has an effective 49.5% ownership in Kamoia Holding. The Company earns interest on the loans advanced to Kamoia Holding.
- (b) Kamoia Services (Pty) Ltd. (“Kamoia Services”) is a company registered in South Africa. The Company has an effective 49.5% ownership in Kamoia Services. The Company provides administration, accounting and other services to Kamoia Services on a cost-recovery basis.
- (c) Kamoia Copper SA (“Kamoia Copper”) is a company incorporated in the DRC. The Company has an effective 39.6% ownership in Kamoia Copper. The Company provides administration, accounting and other services to Kamoia Copper on a cost-recovery basis.
- (d) Ivanhoe Mines Energy DRC Sarl (“Energy”) is a company incorporated in the DRC. The Company has an effective 49.5% ownership in Energy. The Company provides administration, accounting and other services to Energy on a cost-recovery basis.
- (e) I-Pulse Inc. (“I-Pulse”) is a private company incorporated in the United States of America. The Company’s Executive Co-Chairman is also the Chairman of I-Pulse.
- (f) Ivanhoe Electric Inc. (“Ivanhoe Electric”) is a company incorporated under the laws of Delaware, USA. A director of the Company is a director and member of executive management of Ivanhoe Electric. The Company provides services to Ivanhoe Electric on a cost-recovery basis.
- (g) High Power Exploration Inc. (“HPX”) is a private company incorporated under the laws of Delaware, USA. A director of the Company is a director and member of executive management of HPX.
- (h) Ivanhoe Capital Aviation Ltd. (“Aviation”) is a private company owned indirectly by a director of the Company. Aviation operates an aircraft for which the Company contributes toward the running costs.
- (i) Citic Metal Africa Investments Limited (“Citic Metal Africa”) is a private company incorporated in Hong Kong. Citic Metal Africa is a shareholder in the Company and nominates two directors who serve on the Company’s Board of Directors.
- (j) Global Mining Management Corporation (“Global”) is a private company based in Vancouver, Canada. The Company and a director of the Company hold an indirect equity interest in Global. Global provides administration, accounting and other services to the Company on a cost-recovery basis.
- (k) Ivanhoe Capital Services Ltd. (“Services”) is a private company owned indirectly by a director of the Company. Services provides for salaries administration and other services to the Company in Singapore and Beijing on a cost-recovery basis.

## CRITICAL ACCOUNTING ESTIMATES

The Company's material accounting policies are presented in Note 2 to the consolidated financial statements for the year ended December 31, 2023. The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period presented and reported amounts of expenses during said reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates that, by their nature, are uncertain. Such estimates have a pervasive effect on the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, include, but are not limited to, the following:

### *Recoverability of assets*

Property, plant and equipment, including capitalized development costs and finite-lived intangible assets are assessed at each reporting period to determine whether there is any indication that those assets have suffered an impairment loss.

In assessing whether an impairment is required, the carrying value of the asset or cash-generating unit ("CGU") is compared with its recoverable amount. The recoverable amount is the higher of the CGU's fair value less costs of disposal and value in use. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss.

The Company assesses whether an impairment is required on loans receivables. A range of cash flow scenarios are considered, taking into account forward-looking information which may impact recoverability of loan receivables.

Given the nature of the Company's activities, information on the fair value of an asset is usually difficult to obtain unless negotiations with potential purchasers or similar transactions are taking place. Consequently, the fair value less costs of disposal for each CGU is estimated based on discounted future estimated cash flows that are expected to be generated from the continued use of the CGUs. They are estimated using market consensus-based commodity price and exchange assumptions, estimated quantities of recoverable minerals, production levels, operating costs and capital requirements, including any expansion projects, and their eventual disposal, based on the CGU development plans and latest technical reports. These cash flows were discounted using a discount rate that reflected current market assessments of the time value of money and the risks specific to the CGU.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is impaired to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income. The Company has concluded that there is no impairment required to any of its projects.

### *Determination of functional currency*

The Company has used its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and determined that the Company's functional currency is the U.S. dollar. The Company's subsidiaries have a variety of functional currencies that include, but are not limited to, U.S. dollar ("USD"), South African Rand ("ZAR") and Canadian dollar ("C\$").

### *Technical feasibility and commercial viability of projects*

In determining whether an exploration and evaluation property is technically feasible and commercially viable, the Company considers several criteria, including:

- a technical analysis of the basic geology of the project;
- a mine plan for accessing and exploiting the ore body;
- a process flow sheet for processing the ore generated from mining;
- projections as to the capital cost of constructing the project;
- projections as to the cost of operating the project in accordance with the mine plan;
- projections as to revenues from the concentrate or other mineral product to be generated from operations in accordance with the mine plan; and
- an economic analysis of the project based on the projected capital and operating costs and production revenues.

### *Classification of Kamo Holding Limited as a joint venture*

Kamo Holding Limited ("Kamo Holding") is a limited liability company whose legal form confers separation between the parties to the joint arrangement and the company itself. Furthermore, there is no contractual arrangement or any other facts and circumstances that indicate that the parties to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. Accordingly, Kamo Holding Limited is classified as a joint venture of the Company.

### *Determination of inputs into lease accounting*

Lease payments should be discounted using the interest rate implicit in the lease unless that rate cannot be readily determined, in which case the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. The Company has used the risk-free interest rate adjusted for credit risk specific to the lease.

In determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

### *Provisionally-priced revenue and remeasurement of contract receivables*

Sales in the Kamo Holding Limited joint venture are provisionally priced at the average market price on the date that the products are delivered to the buyers at the Kamo-Kakula Mine concentrate warehouse or the demarcated holding area at the Lualaba Copper Smelter premises. Revenue from the contract receivables is recognized for all the sales during the period at the average market price for the month in which the sales occurred. Revenue from contract receivables is remeasured with reference to the forward market price at each reporting date and the remeasurement of contract receivables is recognized as revenue in the statement of comprehensive income of the Kamo Holding Limited joint venture.

### *Valuation of the embedded derivative liability*

The Company has used key inputs and estimates to determine the fair value of the embedded derivative liability at initial recognition and period end date.

### *Deferred revenue*

The advance payments received under the stream financing agreements have been accounted for as contract liabilities within the scope of IFRS 15. Under the terms of the agreements, settlement of the contracts will be executed via the delivery of credits to the purchasers. The credits to be delivered are directly linked to the metal contained in concentrate produced at the Platreef mine. The contracts are therefore not financial instruments as the contracts will not be settled in cash or another financial instrument. Performance obligations under the contracts will be satisfied through production at the Platreef mine and revenue will be recognized over the duration of the contracts. As the contracts are long-term in nature and a portion of the financing was received at the inception of the contracts, it has been determined that the contracts contain a significant financing component under IFRS 15. The current portion of deferred revenue is determined to be the cashflow owed to the buyer expected within the next twelve months following the end of the current financial year.

### *Deferred tax*

Significant judgment is required in determining the deferred tax asset related to the Platreef Project and Kipushi Mine. This includes the probability that there will be sufficient taxable income in the future against which the deferred tax can be utilized. The Company considers the recoverability of the deferred tax asset annually and has deemed the balance to be recoverable at the end of the current financial year. With the agreement of the development plan for the Kipushi Mine by its shareholders and the approval of the development budget consistent with the feasibility study, the Company considers it probable that future taxable profit will be available, against which the unused tax losses and unused tax credits can be utilized. As a result, the Company recognized the previously unrecognized deferred tax asset of the Kipushi Mine in June 2022.

### *Provisions for tax claims*

From time to time, the Company becomes subject to claims or assessments made by tax or other authorities in the ordinary course of its business. Such claims may be made against the Company, its subsidiaries and affiliates, or its joint ventures. Given the complexity, scope and multijurisdictional nature of the Company's business, such claims may arise in several jurisdictions and may involve complex legal, tax or accounting matters. Management assesses the Company's liabilities and contingencies for all tax years open to claims or assessment based upon the latest information available. The Company accrues for such claims, or makes a provision, in its financial statements, when a liability resulting from the claim is both probable and the amount can be reasonably estimated. In order to assess such likelihood management reviews claims with the benefit of internal and external legal advice where appropriate. The joint venture is currently subject to several such claims, all of which have been determined by management, with the benefit of legal advice, to be without merit and justification and therefore not probable that a liability would arise therefrom. Where these estimated liabilities are determined as probable, management has determined that such liability would not have a material effect on the consolidated financial statements of the Company. Such determinations are based on current information and advice, which is subject to change based on changed facts or circumstances. Accordingly, management may re-assess any prior determination regarding the likelihood of a probable liability at any time.



## CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

### Newly adopted accounting standards

The following standards became effective for annual periods beginning on or after January 1, 2024, with earlier application permitted. The Company adopted these standards in the current period and they did not have a material impact on its financial statements unless specifically mentioned below.

- Amendment to IFRS 16 – Leases on sale and leaseback. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- Amendment to IAS 7 and IFRS 7 - Supplier finance. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.
- Amendment to IAS 1 – Non-current liabilities with covenants and Amendment to IAS 1 - Classification of Liabilities as Current or Non-current.

The adoption of the amendments to IAS 1 has a material effect on the Company's financial statements, particularly impacting the classification of the host liability and embedded derivative liability associated with the convertible notes.

These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. Furthermore, the amendments clarify that a conversion option does not affect the Company's classification of the liability, but only if the option meets the fixed-for-fixed criteria and is classified and recognized as a separate equity component in accordance with IAS 32, Financial Instruments: Presentation. If a conversion option in a loan agreement does not satisfy the fixed-for-fixed criteria, the entity would classify the liability as current.

The conversion feature included in the Company's convertible notes fails the 'fixed for fixed' criteria and is therefore not classified as an equity instrument. Although the terms of the convertible notes allow for settlement in the Company's own equity instruments, that alternative is not classified as an equity instrument, the terms of the convertible feature are taken into account in the classification of the liability. The convertible senior notes issued by the Company can be called by the holder at any time in the next 12 months, barring the conditions disclosed in Note 15 of the financial statements are met.

The impact of the adoption of the amendments to IAS 1 on the Company's consolidated statements of financial position as at December 31, 2023 and January 1, 2023, is disclosed in Note 3 of the financial statements.

### Accounting standards issued but not yet effective

The following new standards, amendments to standards and interpretations have been issued but are not effective during the nine months ended September 30, 2024. The Company has not yet adopted these new and amended standards.

- Amendment to IAS 21 - Lack of Exchangeability: An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. (i)
- Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments: These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. They also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets), and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI). The Company has considered the amendment and assessed that it will have no material impact on adoption. (ii)
- IFRS 18 Presentation and Disclosure in Financial Statements: This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to the structure of the statement of profit or loss, required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures), and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is assessing the impact of this amendment on its financial statements. (iii)

The Company has considered these amendments and assessed that it will have no material impact on adoption.

- (i) Effective for annual periods beginning on or after January 1, 2025
- (ii) Effective for annual periods beginning on or after January 1, 2026
- (iii) Effective for annual periods beginning on or after January 1, 2027

## FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

### Fair value of financial instruments

The Company's financial assets and financial liabilities are categorized as follows:

	Level	September 30, 2024 \$'000	December 31, 2023 \$'000
<b>Financial assets</b>			
<i>Financial assets at fair value through profit or loss</i>			
Investment in I-Pulse Inc.	Level 3	<b>79,360</b>	79,360
Investment in Renegeren Ltd.	Level 1	<b>2,372</b>	4,173
Investment in unlisted entity	Level 3	<b>655</b>	655
Investment in other listed entities	Level 1	<b>295</b>	277
<i>Amortized cost</i>			
Loan advanced to joint venture	Level 3	<b>1,902,877</b>	1,732,286
Cash and cash equivalents		<b>179,927</b>	574,294
Loans receivable	Level 3	<b>47,775</b>	46,017
Promissory note receivable	Level 3	<b>26,831</b>	26,800
Other receivables		<b>33,097</b>	16,574
<b>Financial liabilities</b>			
<i>Financial liabilities at fair value through profit or loss</i>			
Convertible notes - embedded derivative liability	Level 3	–	306,561
<i>Amortized cost</i>			
Trade and other payables	Level 3	<b>150,723</b>	103,076
Advance payment facilities	Level 3	<b>120,000</b>	–
Borrowings		<b>110,814</b>	140,011
Convertible notes - host liability	Level 3	–	495,970

IFRS 13 - "Fair value measurement", requires an explanation about how fair value is determined for assets and liabilities measured in the financial statements at fair value and establishes a hierarchy into which these assets and liabilities must be grouped based on whether inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions. The two types of inputs create the following fair value hierarchy:

- Level 1: observable inputs such as quoted prices in active markets;
- Level 2: inputs, other than the quoted market prices in active markets, which are observable, either directly and/or indirectly; and
- Level 3: unobservable inputs for the asset or liability in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

## Finance income

The Company's finance income is summarized as follows:

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Interest on loan to joint venture	57,077	51,561	170,591	148,990
Interest on bank balances	2,519	4,475	13,129	17,753
Interest on long-term loan receivable - Gécamines	553	630	1,758	1,899
Other	15	5	16	16
Interest on long-term loan receivable - HPX	–	–	–	7,795
	<b>60,164</b>	<b>56,671</b>	<b>185,494</b>	<b>176,453</b>

The interest from the loan to the joint venture is interest earned from the Kamoia Holding joint venture on shareholder loans advanced by the Company where each shareholder is required to fund Kamoia Holding in an amount equivalent to its proportionate shareholding interest.

## Financial risk management objectives and policies

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

### Foreign exchange risk

The Company incurs certain of its expenses in currencies other than the U.S. dollar. The Company also has foreign currency-denominated monetary assets and liabilities. The Company's key exposure to foreign exchange risk arises from the deferred revenue, which is denominated in Rand and the convertible notes, which are impacted by the Canadian Dollar when the prevailing share price is converted into Dollars. As such, the Company is subject to foreign exchange risk as a result of fluctuations in exchange rates. The Company enters into derivative instruments to manage foreign exchange exposure as deemed appropriate.

The carrying amount of the Company's foreign currency-denominated monetary assets and liabilities at the respective statement of financial position dates are as follows:

	September 30, December 31,	
	2024	2023
	\$'000	\$'000
<b>Assets</b>		
Canadian dollar	45,506	223,621
South African rand	86,094	106,202
British pounds	11,428	7,548
Australian dollar	211	248
<b>Liabilities</b>		
South African rand	(55,604)	(41,913)
British pounds	(11,090)	(7,807)
Canadian dollar	(104)	(541)

## Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase or decrease in the U.S. dollar against the foreign currencies presented. The sensitivity analysis includes only outstanding foreign currency-denominated monetary items not denominated in the functional currency of the Company or the relevant subsidiary and adjusts their translation at the end of the period for a 5% change in foreign currency rates. A positive number indicates a decrease in loss for the year when the foreign currencies strengthen against the U.S. dollar. The opposite number will result if the foreign currencies depreciate against the U.S. dollar.

	Nine months ended	
	September 30,	
	2024	2023
	\$'000	\$'000
Canadian dollar	2,270	325
Australian dollar	7	20
South African rand	(320)	(217)
British pounds	(5)	(5)

### *Credit risk*

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Credit risk for the Company is primarily associated with the loan to the joint venture, promissory note receivable, long-term loans receivable, other receivables and cash and cash equivalents.

The Company reviews the recoverable amount of its financial assets at each statement of financial position date to ensure that adequate provision is made for expected credit losses on a timely basis. Current and future macroeconomic factors, as well as relevant interest rates are considered as inputs into the provision calculation.

The Company classifies its financial assets at amortized cost in categories that reflect their credit risk as follows:

- Performing financial assets – Financial assets with a low risk of counterparty default. A 12-month expected credit losses are calculated for these financial assets.
- Underperforming financial assets – Financial assets with a significant increase in credit risk. Lifetime expected credit losses are calculated for these financial assets.
- Non-performing financial assets – Financial assets that are in default. Lifetime expected credit losses are calculated for these financial assets.
- Written off financial assets – Financial assets where the principal and/or interest will not be recovered, based on observable data. These financial assets are written off through profit or loss to the extent of the expected credit loss.

All of the Company's financial assets are deemed to be performing financial assets based on the above categorization. As such the general approach was applied to the calculate the 12-month expected credit losses. There were no movements between the categorization during the current and comparative reporting periods as there has not been an increase in credit risk associated with these financial assets.

A significant increase in credit risk would include:

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations.
- An actual or expected significant change in the operating results of the borrower.
- Significant increases in credit risk on other financial instruments of the same borrower.
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the borrower that results in a significant change in the borrower's ability to meet its debt obligations.

- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements, are expected to reduce the borrower's economic incentive to make scheduled contractual payments or to otherwise have an effect on the probability of a default occurring.

None of the Company's financial assets are deemed to be in default, which is defined as the structural failure of a counterparty to perform under an agreement with the Company.

For all financial assets measured at amortized cost, the Company calculates the expected credit loss based on contractual payment terms of the asset. The exposure to credit risk is influenced by the individual characteristics and the long and short-term nature of the counterparty.

The Company assesses whether an impairment is required on loan receivables. A range of cash flow scenarios are considered, taking into account forward-looking information which may impact recoverability of loan receivables.

The loan advanced to the joint venture will be repaid as and when there is residual cash flow in Kamo Holding. The expected credit loss is considered not material to the Company.

The promissory note receivable will be repaid using proceeds from the sale of Crystal River's 1% stake in Kamo Holding. The expected credit loss is considered not material to the Company.

Repayment of the long-term loan receivable from Gécamines will be made by offsetting the loan against future royalties and dividends payable to Gécamines which arise from future profits to be earned at Kipushi.

The credit risk on cash and cash equivalents is limited because the cash and cash equivalents are composed of deposits with major banks that have investment-grade credit ratings assigned by international credit ratings agencies and have low risk of default. Credit risk is managed through the application of funding approvals, liquidity analysis and monitoring procedures. The Company's treasury function provides credit risk management for the group-wide exposure in respect of a diversified banking portfolio. These are evaluated regularly for financial robustness, especially within the context of the current global economic environment as well as the jurisdictions within which the Company operates.

The majority of the Group's cash balance is held in Canadian and South African bank accounts.

The Company continues to monitor its credit risk and assess expected credit losses. The identified impairment loss in 2024 is considered not material to the Company.

#### *Liquidity risk*

In the management of its liquidity risk, the Company maintains a balance between continuity of funding and flexibility through the use of borrowings. Management closely monitors the liquidity position to maintain adequate sources of funding to finance the Company's projects and operations, including its commitments.

The following table details the Company's expected remaining contractual maturities for its financial liabilities. The table is based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to satisfy the liabilities.

	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	Total undiscounted cash flows
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at September 30, 2024</b>					
Trade payables (a)	146,678	–	–	–	<b>146,678</b>
Advance payment facilities	12,362	24,030	120,094	–	<b>156,486</b>
FirstBank loan facility	51,285	–	–	–	<b>51,285</b>
ITC loan	–	–	40,571	–	<b>40,571</b>
Aircraft financing facility	3,578	13,604	378	–	<b>17,560</b>
Lease liability	720	2,354	1,875	6,185	<b>11,134</b>
Loan from Citi bank	4,315	–	–	–	<b>4,315</b>
<b>As at December 31, 2023</b>					
Convertible notes	14,383	596,535	–	–	<b>610,918</b>
Trade payables (a)	96,936	–	–	–	<b>96,936</b>
Rawbank loan facility	80,552	–	–	–	<b>80,552</b>
ITC loan	–	–	38,405	–	<b>38,405</b>
Aircraft financing facility	4,534	13,604	2,645	–	<b>20,783</b>
Lease liability	664	2,460	1,814	6,473	<b>11,411</b>
Loan from Citi bank	262	3,845	–	–	<b>4,107</b>

(a) Trade and other payables in the above table exclude payroll tax, other statutory liabilities and indirect taxes payable.

## DESCRIPTION OF CAPITAL STOCK

As at October 29, 2024, the Company's capital structure consists of an unlimited number of Class A common shares without par value (the "Class A Shares"). At this date 1,350,922,774 Class A shares were issued and outstanding.

The Company granted 1,292,265 options in 2023 and 1,244,068 options in 2024 to date. As at October 29, 2024, 13,855,371 options were outstanding issued in terms of the Equity Incentive Plan exercisable into 13,855,371 Class A Shares.

The Company granted 908,315 restricted share units (RSUs) in 2024 to date and 658,031 RSUs in 2023 per the Company's Share Unit Award Plan. As at October 29, 2024, there were 1,693,357 RSUs which may vest into 1,693,357 Class A shares.

The Company granted 451,117 performance share units (PSUs) in 2024 to date and 438,163 PSUs in 2023 per the Company's Share Unit Award Plan. As at October 29, 2024, there were 1,241,990 PSUs which may vest into 1,241,990 Class A shares.

The Company granted 157,969 deferred share units (DSUs) in 2024 to date and 221,764 DSUs in 2023 per the Company's Deferred Share Unit Plan. As at October 29, 2024, there were 648,256 DSUs which may vest into 648,256 Class A shares.



## **DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING**

Management is responsible for the design and operation of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR) in order to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company's certifying officers. The Company's President, in the capacity of Chief Executive Officer (CEO), and Chief Financial Officer (CFO) have each evaluated the design and effectiveness of the Company's DC&P and ICFR as of September 30, 2024, and, in accordance with the requirements established under National Instrument 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings, the President and CFO have concluded that these controls and procedures have been designed to provide reasonable assurance that material information relating to the Company is made known to them by others within the Company and that the information required to be disclosed in reports that are filed or submitted under Canadian securities legislation are recorded, processed, summarized and reported within the time period specified in those rules.

The Company's President and CFO have used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework to evaluate the design of the Company's ICFR as of September 30, 2024, and have concluded that these controls and procedures have been designed effectively to provide reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner. Management of the Company was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means design and operation of controls cannot provide absolute assurance that all control issues and instances of fraud will be detected.

During the three months ended September 30, 2024, there were no changes in the Company's DC&P or ICFR that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## **RISK FACTORS**

The Company has summarized its foreign exchange risk, credit risk, interest rate risk and liquidity risk under the "Financial risk management objectives and policies" sub-heading under the "Financial instruments and other instruments" section in this MD&A. Additional risks and uncertainties are discussed in the Company's Annual Information Form filed with Canadian provincial regulatory authorities and available at [www.sedarplus.ca](http://www.sedarplus.ca).

## **DISCLOSURE OF TECHNICAL INFORMATION**

Disclosures of a scientific or technical nature in this MD&A regarding the Kamoakakula Copper Complex, the Platreef Project and the Kipushi Mine have been reviewed and approved by Steve Amos, who is considered, by virtue of his education, experience and professional association, a Qualified Person under the terms of National Instrument 43-101 (NI 43-101). Mr. Amos is not considered independent under NI 43-101 as he is the Executive Vice President, Projects, at Ivanhoe Mines. Mr. Amos has verified the technical data related to the foregoing disclosed in this MD&A.

Disclosures of a scientific or technical nature regarding the Western Foreland Exploration Project in this MD&A have been reviewed and approved by Tim Williams, who is considered, by virtue of his education, experience and professional association, a Qualified Person under the terms of NI 43-101. Mr. Williams is not considered independent under NI 43-101 as he is the Vice President, Geosciences, at Ivanhoe Mines. Mr. Williams has verified the technical data regarding the Western Foreland Exploration Project disclosed in this MD&A.

Ivanhoe has prepared an independent, NI 43-101-compliant technical report for the Kamoakakula Copper Complex, the Platreef Project and the Kipushi Mine, each of which is available on the Company's website and under the Company's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca)

- Kamo-a-Kakula Integrated Development Plan 2023 Technical Report dated March 6, 2023, prepared by OreWin Pty Ltd.; China Nerin Engineering Co. Ltd.; DRA Global; Epoch Resources; Golder Associates Africa; Metso Outotec Oyj; Paterson and Cooke; SRK Consulting Ltd.; and The MSA Group.
- The Kipushi 2022 Feasibility Study dated February 14, 2022, prepared by OreWin Pty Ltd., MSA Group (Pty) Ltd., SRK Consulting (South Africa) (Pty) Ltd, and METC Engineering.
- The Platreef 2022 Feasibility Study dated February 28, 2022, prepared by OreWin Pty Ltd., Mine Technical Services, SRK Consulting Inc., DRA Projects (Pty) Ltd and Golder Associates Africa.

These technical reports include relevant information regarding the effective dates and the assumptions, parameters and methods of the mineral resource estimates on the Platreef Project, the Kipushi Mine and the Kamo-a-Kakula Copper Complex cited in this MD&A, as well as information regarding data verification, exploration procedures and other matters relevant to the scientific and technical disclosure contained in this MD&A in respect of the Platreef Project, Kipushi Mine and Kamo-a-Kakula Copper Complex.

### **FORWARD-LOOKING STATEMENTS**

Certain statements in this MD&A constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws. Such statements and information involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company, its projects, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified using words such as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, “scheduled”, “forecast”, “predict” and other similar terminology, or state that certain actions, events, or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. These statements reflect the Company’s current expectations regarding future events, performance and results and speak only as of the date of this MD&A.

Such statements include without limitation: (i) statements that at current copper prices, cash flow generated from Kamoakakula's operations, as well as project level financing facilities, will be sufficient to fund the remaining capital cost requirements for the Phase 3 expansion; (ii) statements that major capital cost requirements are expected to be resolved in the fourth quarter following completion of Kamoakakula's direct-to-blister smelter, with construction on track to be complete by year-end, and smelter ramp-up expected from Q1 2025; (iii) statements that Kamoakakula continues to work closely with the DRC's state-owned power company, La Société Nationale d'Electricité (SNEL), to deliver solutions for the identified causes of instability experienced across the southern DRC's grid infrastructure and that the project work is expected to be completed by the end of 2025; (iv) statements that the project consists of grid infrastructure upgrades, such as an increase in grid capacity between the Inga II dam and Kolwezi, a new harmonic filter at the Inga Converter Station, as well as a new static compensator at the Kolwezi Converter Substation; (v) statements that various smaller initiatives have been identified to strengthen the transmission capability and improve the long-term stability of the southern grid; (vi) statements that Ivanhoe Mines Energy is working with SNEL to put in place maintenance contracts to maintain key generation capacity and transmission infrastructure; (vii) statements that Kamoakakula's engineering team continues to expand its on-site backup generation capacity to ensure sufficient redundancy for the current Phase 1, 2, and 3 operations; (viii) statements that the on-site backup power capacity is sufficient to power Kamoakakula's Phase 1 and 2 concentrators at full capacity in the event of intermittent power; (ix) statements that Kamoakakula's project team remains on schedule to install a further 60 MW of on-site backup power generation capacity by year-end, with imported power expected to increase to 200 MW in the medium to long term; (x) statements that refurbishment works of Turbine #5 at the Inga II hydroelectric facility are approximately 75% complete and advancing within budget to generate 178 MW of hydroelectric power for the DRC electrical grid from Q1 2025; (xi) statements that assembly works at the turbine are well advanced, with the alternator's stator and rotor nearing completion; (xii) statements that construction of Kamoakakula 1 underground-to-surface ore conveyor system, similar in design to Kakula, and first truck tip are nearing completion and are expected to be commissioned imminently; (xiii) statements that until the ore handling system is operational, ore from underground will continue to be hauled to surface by truck; (xiv) statements that mining costs are expected to improve once the truck tip and conveyor are commissioned as notable efficiencies will be gained from this new infrastructure; (xv) statements that a second truck-tip is under construction and is expected to be commissioned at the end of Q2 2025; (xvi) statements that underground development at Kamoakakula 1 and 2 continues to focus on opening-up access to ore reserves well in advance of the mine plan; (xvii) statements that Kamoakakula's mining engineering team are targeting to have completed enough underground development for 18 months of accessible mining reserves by the end of 2025; (xviii) statements that the Phase 3 concentrator will continue to process surface stockpiles during the fourth quarter, increasingly supplemented with development ore from the Kamoakakula 1 and 2 underground mines as the underground-to-surface ore conveyor system is commissioned, therefore the team is targeting an increase in feed grade to the Phase 3 concentrator to between 2.8% and 3% copper during Q1 2025; (xix) statements that it is expected that from late in Q4 2024 or early in Q1 2025, concentrate produced by the Phase 3 concentrator will start to be stockpiled on-site in anticipation of the commissioning of the smelter in Q1 2025; (xx) statements that Kamoakakula is building Africa's largest smelter, which will have a capacity of 500,000 tonnes of >99%-pure blister-anode copper per annum; (xxi) statements that the smelter incorporates leading-edge technology supplied by Metso Finland and will comply with the world-leading International Finance Corporation's emissions standards; (xxii) statements that the smelter project is 94% complete and is on schedule for construction completion by the end of 2024; (xxiii) statements that the smelter furnace heat-up is expected to commence in Q1 2025, with Kamoakakula's smelter team targeting a ramp-up to 75% capacity in Q3 2025, reaching 90% in the fourth quarter of 2025, subject to concentrate blend; (xxiv) statements that the smelter will have a processing capacity of approximately 1.2 Mtpa of dry concentrate feed and is designed to run on a blend of concentrate produced from the Kakula (Phase 1 and 2) and Kamoakakula (Phase 3 and future Phase 4) concentrators; (xxv) statements that where possible Kamoakakula will continue to toll-treat concentrates domestically, with surplus concentrates smelted at the nearby LCS, located approximately 50 kilometres from Kamoakakula, near the town of Kolwezi; (xxvi) statements that subject to sulphide content of the feed concentrate, as a by-product, the smelter will also produce 600,000 to 700,000 tonnes per year of high-strength sulphuric acid; (xxvii) statements that offtake contracts for the high-strength sulphuric acid produced by the smelter are well-advanced with purchasers local to the Kolwezi area; (xxviii) statements that the on-site smelter will offer transformative financial benefits for the Kamoakakula Copper Complex, most significantly a material reduction in logistics costs, and to a lesser extent reduced concentrate treatment charges and local

taxes, as well as revenue from acid sales; (xxxiv) statements that the volume of required trucks is expected to approximately halve following the smelter start-up; (xxxv) statements that Project 95 aims to improve copper recovery rates of the Phase 1 and 2 concentrators from 87% to 95%, unlocking up to 30,000 tonnes per annum of additional copper production.; (xxxvi) statements that The Project 95 scope of work consists of modifications to the Phase 1 and 2 concentrators as well as the construction of a new cell at the tailings storage facility; (xxxvii) statements that the modifications to the existing Phase 1 and 2 concentrators consist of a new coarse-fine cyclone bank, flash flotation cells, coarse rougher tailings tank, additional feed tanks to the rougher scavenger and cleaner scavenger flotation cells, and new cleaner flotation cells and a new fine-regrind milling plant adjacent to the Phase 1 and Phase 2 concentrator plants will be constructed, with high-intensity grinding (HIG) mills, rougher tailings cyclones, and slime thickeners; (xxxviii) statements that following the completion of Project 95, the copper grade of the tailings stream from the Phase 1 and 2 concentrators will be significantly reduced from approximately 0.7% to 0.2% copper; (xxxix) statements that the construction of Project 95 is expected to take approximately 18 months with completion targeted during the first quarter of 2026, and that the construction of Cell 2 is expected to cost approximately \$82 million and be construed in parallel with the Project 95 concentrator modifications; (xl) statements that the estimated capital cost for the modifications to the Phase 1 and 2 concentrator plants is approximately \$180 million, including contingency, therefore, the brownfield expansion project is expected to have a capital intensity of approximately \$6,000 per tonne of copper produced; (xli) statements that Project 95's incremental operating costs are estimated to be approximately \$4/t milled; (xlii) statements that Kamo'a's engineering team is working on an updated 2025 IDP and that completion is targeted for mid-Q1 2025; (xliii) statements that the 2025 IDP will include initiatives targeted at increasing processing recoveries and processing throughput from the Phase 1, 2, and 3 concentrators, as well as a new Phase 4 expansion; (xliv) statements that Kamo'a's engineering team is targeting to increase recovery rates of the Phase 1 and 2 concentrators and the Phase 3 concentrator, from the current nameplate rates of 87% and 86%, up to 95% and 92%, respectively, including Project 95 and that additionally, the processing capacity of the existing operations is targeted to be boosted by 20%, from 14.2 Mtpta to 17 Mtpta and that the engineering team is targeting a Phase 4 expansion at the end of the decade; (xlv) statements that cash cost guidance is based on assumptions including feed grades of processed copper ore, the ramp-up of the Phase 3 concentrator, reliability of DRC grid power supply, the availability and cost of alternative sources of electricity supply, and prevailing logistics rates among other variables; (xlvi) statements that copper in concentrate produced by the Phase 3 concentrator is expected to have a higher cash cost, compared with that of the Phase 1 and Phase 2 concentrators and that this is primarily due to the lower copper grade of the stockpiles feeding the Phase 3 concentrator, compared with the higher-grade ore from the Kakula Mine that feeds the Phase 1 and Phase 2 concentrators; (xlvii) statements that at Kipushi a work program is underway to separate the ore fines upstream of the DMS, as well as upgrade the local grid infrastructure and that this work program will be carried out concurrently with the debottlenecking program and be complete in Q2 2025; (xlviii) statements that the Kipushi concentrator's nameplate production rate is expected to be achieved in Q1 2025; (xlix) statements that engineering and procurement of long-lead order equipment items are well underway for the Kipushi debottlenecking program and that the debottlenecking of the Kipushi concentrator is targeting a 20% increase in concentrator processing capacity to 960,000 tonnes of ore per annum and that the debottlenecking program is expected to be completed in mid-2025; (l) statements that Kipushi will be the lowest greenhouse gas emitter per tonne of zinc produced; (li) statements that first concentrate at Platreef is expected for the second half of 2025; (lii) statements that the Platreef concentrator will be kept on care and maintenance until H2 2025, as Shaft #1 prioritizes the hoisting of waste development required to bring forward the start of Phase 2; (liii) statements that the study work for the update to the 2022 Platreef Feasibility Study is nearing completion, with results expected to be released in the first quarter of 2025; (liiii) statements that the Platreef Phase 3 expansion is expected to consist of two additional 3.3-Mtpta concentrator modules, to be located adjacent to the Phase 1 and 2 concentrators; (liv) statements that Platreef's Phase 3 is anticipated to rank Platreef as one of the world's largest and lowest-cost platinum-group metal, nickel, copper and gold producers and that the 10-Mtpta concentrator capacity of the Phase 3 expansion will be 12.5 times greater than that of Phase 1 and 2.5 times greater than the processing capacity of the optimized Phase 2 expansion; (lv) statements that the Phase 2 expansion of Platreef will be accelerated by re-purposing ventilation Shaft #3 for hoisting and that Shaft #3 will generate additional hoisting capacity of approximately 4 Mtpta, bringing the total hoisting capacity to approximately 5 Mtpta; (lvi) statements that once equipped Shaft #3 is expected to be ready for hoisting in the first quarter of 2026, well ahead of the completion of the much larger Shaft #2; (lvii) statements that the Phase 1 and Phase 2 concentrators will have a total combined processing capacity of approximately 4 Mtpta, with ore

fed by Shaft #1 and Shaft #3; (lviii) statements that the expansion of Shaft #2 to its final diameter of 10 metres will commence in late 2025; (lix) statements that the completion of Shaft #2, which is targeted for 2029, will increase the total hoisting capacity for ore and waste development, across all three shafts to over 12 Mtpa; (lx) statements that construction of Platreef's first 5-MW solar power facility is expected to be complete by year-end; (lxi) statements that diamond drilling contractor, Geosearch, has been appointed and is expected to soon commence drilling; (lxii) statements that revenue from commercial production at the Kipushi Mine will commence in Q4 2024; (lxiii) statements with respect to the company's exploration budget for 2024 being set at approximately \$90 million; (lxiv) statements that the Kamoa-Kakula smelter will reduce cash costs and improve profitability; (lxv) statements that capital cost of approximately \$200 million is estimated for Kamoa-Kakula concentrator modifications, and that increasing recovery to 95% is expected to boost average annualized copper production by up to 30,000 tonnes from the Phase 1 and 2 concentrators from Q1 2026; (lxvi) statements that the de-bottlenecking program at Kipushi is expected to be complete in Q3 2025, based on the availability of long-lead order equipment; and (lxvii) statements that work continues on the updated feasibility study to accelerate Platreef's Phase 2, as well as the preliminary economic assessment of the new Phase 3 expansion, with both studies expected to be published in Q1 2025.

Also, all of the results of the Kamoa-Kakula 2023 IDP, the Platreef 2022 feasibility study, and the Kipushi 2022 feasibility study constitute forward-looking statements or information and include future estimates of internal rates of return, net present value, future production, estimates of cash cost, proposed mining plans and methods, mine life estimates, cash flow forecasts, metal recoveries, estimates of capital and operating costs and the size and timing of phased development of the projects.

Furthermore, concerning this specific forward-looking information concerning the operation and development of the Kamoa-Kakula Copper Complex, the Kipushi Mine and the Platreef Project, and the exploration of the Western Forelands Exploration Project and the Mokopane Feeder Exploration Project, the company has based its assumptions and analysis on certain factors that are inherently uncertain. Uncertainties include: (i) the adequacy of infrastructure; (ii) geological characteristics; (iii) metallurgical characteristics of the mineralization; (iv) the ability to develop adequate processing capacity; (v) the price of copper, nickel, zinc, platinum, palladium, rhodium and gold; (vi) the availability of equipment and facilities necessary to complete development and exploration; (vii) the cost of consumables and mining and processing equipment; (viii) unforeseen technological and engineering problems; (ix) accidents or acts of sabotage or terrorism; (x) currency fluctuations; (xi) changes in regulations; (xii) the compliance by joint venture partners with terms of agreements; (xiii) the availability and productivity of skilled labour; (xiv) the regulation of the mining industry by various governmental agencies; (xv) the ability to raise sufficient capital to develop such projects; (xvi) changes in project scope or design; (xvii) recoveries, mining rates and grade; (xviii) political factors; (xviii) water inflow into the mine and its potential effect on mining operations, and (xix) the consistency and availability of electric power.

This MD&A also contains references to estimates of Mineral Resources and Mineral Reserves. The estimation of Mineral Resources is inherently uncertain and involves subjective judgments about many relevant factors. Estimates of Mineral Reserves provide more certainty however still involve similar subjective judgments. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation (including estimated future production from the Company's projects, the anticipated tonnages and grades that will be mined and the estimated level of recovery that will be realized), which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that ultimately may prove to be inaccurate. Mineral Resource or Mineral Reserve estimates may have to be re-estimated based on: (i) fluctuations in copper, nickel, zinc, platinum group elements (PGE), gold or other mineral prices; (ii) results of drilling; (iii) metallurgical testing and other studies; (iv) proposed mining operations, including dilution; (v) the evaluation of mine plans after the date of any estimates and/or changes in mine plans; (vi) the possible failure to receive required permits, approvals and licences; and (vii) changes in law or regulation.

Forward-looking statements and information involve significant risks and uncertainties, should not be read as guarantees of future performance or results and will not necessarily be accurate indicators of whether such results will be achieved. Many factors could cause actual results to differ materially from the results discussed in the forward-looking statements or information, including, however not limited to, the factors discussed above and under the “Risk Factors”, and elsewhere in this MD&A, as well as unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts with the Company to perform as agreed; social or labour unrest; changes in commodity prices; and the failure of exploration programs or studies to deliver anticipated results or results that would justify and support continued exploration, studies, development or operations.

Although the forward-looking statements contained in this MD&A are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this MD&A and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this MD&A.

The Company’s actual results could differ materially from those anticipated in these forward-looking statements as a result of the factors outlined in the “Risk Factors” section beginning on page 57 and elsewhere in this MD&A.

### **ADDITIONAL INFORMATION**

Additional information regarding the Company, including the Company’s Annual Information Form, is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).